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): August 5, 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 second 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 second 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 June 30, 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 second quarter 2009 results, the Company furnishes herewith, as Exhibit 99.2, information about the Company's investments, as of June 30, 2009, in residential and commercial mortgage-backed securities, asset-backed securities, and commercial mortgage and other loans.

D. Liquidity and Capital Resources.

Parent Company Short-term Investments and Borrowings

As of June 30, 2009, the parent holding company, Prudential Financial, had cash and short-term investments of $4.735 billion, which included $701 million of subsidiary funds that were invested short-term with Prudential Financial as part of our intercompany liquidity program. The short-term investments comprise $1.620 billion of parent holding company cash and short-term investments and consist primarily of government agency securities and money market funds.

As of June 30, 2009, parent company short-term borrowings amounted to $647 million. This amount includes $505 million of outstanding commercial paper, $87 million principal amount of convertible debt securities, and $55 million current portion of long-term debt.

Prudential Financial's commercial paper is currently rated A-1, P-2, and F2 by Standard & Poor's, Moody's and Fitch, respectively. The rating from Fitch currently has a negative outlook. Prudential Financial's outstanding commercial paper as of June 30, 2009 had a weighted average maturity of 10 days of which 40% was overnight. The vast majority of Prudential Financial's outstanding commercial paper proceeds were either held in cash or invested in short-term financial instruments. As of June 30, 2009, Prudential Financial had no commercial paper outstanding under the Commercial Paper Funding Facility ("CPFF") sponsored by the Federal Reserve Bank of New York, as Prudential Financial is not able to access the CPFF based on its current ratings.

Prudential Funding, LLC Commercial Paper Program

As of June 30, 2009, Prudential Funding, LLC, a wholly-owned subsidiary of Prudential Insurance, had outstanding commercial paper borrowings of $1.718 billion, of which $577 million of the proceeds were held in cash and cash equivalents, while the remaining $1.141 billion was primarily utilized to fund short-term cash flow timing mismatches and the working capital needs of our affiliates. Prudential Funding's outstanding commercial paper as of June 30, 2009, had a weighted average maturity of 38 days of which 11% was overnight.

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 ratings, Prudential Funding continues to be 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 June 30, 2009, Prudential Funding had no commercial paper outstanding under the CPFF. Access to the CPFF for the issuance of new commercial paper is scheduled to terminate on February 1, 2010, unless such date is extended by the Federal Reserve Bank of New York.

Asset-based Financing

As of June 30, 2009, Prudential's Financial Services Businesses had liabilities totaling $5.929 billion under asset-based financing programs, including $3.467 billion representing securities sold under agreements to repurchase, $2.233 billion representing cash collateral for loaned securities and $229 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 $5.929 billion, $2.795 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 34 days. As of June 30, 2009, the asset-based financing programs represented approximately 3.2% of total investments of $184.1 billion for the Financial Services Businesses.

As of June 30, 2009, Prudential's Closed Block Business had liabilities totaling $5.130 billion under such programs, including $3.701 billion representing securities sold under agreements to repurchase and $1.429 billion representing cash collateral for loaned securities. Of the total $5.130 billion, $2.369 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 31 days. As of June 30, 2009, the asset-based financing programs represented approximately 8.6% of total investments of $59.6 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 June 30, 2009 would result in estimated additional collateral posting requirements or payments under such agreements of approximately $200 million as of June 30, 2009. The amount of collateral required to be posted for derivative agreements is also dependent on the fair value of the derivative positions as of the balance sheet date. 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 $1.4 billion, based on the level of statutory reserves related to an acquired business, that we estimate would result in annual cash outflows of approximately $70 million, or collateral posting in the form of cash or securities to be held in a trust. 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 June 30, 2009, when estimates of Prudential Financial's 10-year credit default swap spreads were approximately 490 basis points, we had posted $53 million of collateral under this agreement.

Federal Home Loan Bank of New York Facility

Prudential Insurance has been a member of the Federal Home Loan Bank of New York, or FHLBNY, since June 2008. Membership allows Prudential Insurance to participate in FHLBNY's product line of financial services, including collateralized advances, collateralized funding agreements and general asset/liability management 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.

The FHLBNY requires Prudential Insurance to pledge qualifying mortgage-related assets or U.S. Treasury securities as collateral for all borrowings. On May 8, 2009, the New Jersey Department of Banking and Insurance, or NJDOBI revised its prior guidance to increase the maximum amount of qualifying assets that Prudential Insurance may pledge as collateral to the FHLBNY from 5% to 7% of its prior year-end statutory net admitted assets exclusive of separate account assets; however, this limitation resets to 5% on December 31, 2010 unless extended by NJDOBI. Based on its statutory net admitted assets as of December 31, 2008, the 7% limitation equates to a maximum amount of pledged assets of $10.5 billion and an estimated maximum borrowing capacity, after taking into account applicable required collateralization levels and required purchases of activity based FHLBNY stock, of approximately $9.0 billion. However, the ability to borrow from the FHLBNY is subject to the availability and maintenance of qualifying assets at Prudential Insurance, and there is no assurance that Prudential Insurance will have sufficient qualifying assets available to it in order to access the increased capacity in full at any particular time. Also, the revised guidance from NJDOBI limits the aggregate amount of assets Prudential Insurance may pledge for all loans, including borrowings from the FHLBNY, to 10% of its prior year-end statutory net admitted assets exclusive of separate account assets; however, this limitation excludes certain activities, such as the asset-based financing transactions described above.

As of June 30, 2009, Prudential Insurance had total outstanding borrowings of $3.5 billion that is comprised of collateralized advances, of which $1.0 billion is reflected in "Short-term debt" and $1.0 billion is reflected in "Long-term debt," as well as $1.5 billion of collateralized funding agreements that are reflected in "Policyholders' account balances."

Lines of Credit and Other Credit Facilities

As of June 30, 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.

We maintain these facilities primarily as back up liquidity lines for our commercial paper programs, and there were no outstanding borrowings under either facility as of June 30, 2009. Any borrowings made under these outstanding facilities would mature no later than the respective expiration dates of the facilities and would bear interest at the rates set forth in each facility agreement. Within each facility, no single financial institution has more than 15% of the total committed credit.

Our ability to borrow under these facilities is conditioned on the continued satisfaction of customary conditions, including the 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 U.S. 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 June 30, 2009, Prudential Insurance's total adjusted capital and Prudential Financial's consolidated U.S. 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. Subsequent defaults on the remaining names within such instruments require no further payment to counterparties.

The 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. The outstanding notional amounts and fair values of credit derivative contracts where we have sold credit protection as of June 30, 2009 and December 31, 2008 are presented below:

	June 30, 2009		December 31, 2008	
	Notional	Fair Value	Notional	Fair Value
	(in millions)		(in millions)	
Financial Services Businesses	$1,104	$ (78)	$1,161	$ (146)
Closed Block Business	64	—	61	(2)
Total	$1,168	$ (78)	$1,222	$ (148)

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. The outstanding notional amounts and fair values of credit derivative contracts where we have purchased credit protection as of June 30, 2009 and December 31, 2008 are presented below:

	June 30, 2009		December 31, 2008	
	Notional	Fair Value	Notional	Fair Value
	(in millions)		(in millions)	
Financial Services Businesses	$1,575	$ 155	$1,069	$ 189
Closed Block Business	480	80	309	64
Total	$2,055	$ 235	$1,378	$ 253

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

99.0 News release of Prudential Financial, Inc., dated August 5, 2009, announcing second 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 June 30, 2009 (furnished and not filed).

99.2 Information about Prudential Financial, Inc.'s investments, as of June 30, 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: August 5, 2009

PRUDENTIAL FINANCIAL, INC.

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

Exhibit Index

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99.2	Information about Prudential Financial, Inc.'s investments, as of June 30, 2009, in residential and commercial mortgage-backed securities, asset-backed securities, and commercial mortgage and other loans (furnished and not filed).

News Release

Prudential

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

For Immediate Release
August 5, 2009

Contact: Gabrielle Shanin
(973) 802-7779

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

- **Net income of Financial Services Businesses attributable to Prudential Financial, Inc. of $538 million, or $1.25 per Common share**
- **After-tax adjusted operating income of $817 million, or $1.88 per Common share**
- **Significant items included in these results:**
  - Pretax benefit of $416 million in Individual Annuities to release reserves for guaranteed minimum death and income benefits and to reduce amortization of deferred policy acquisition and other costs
  - Pretax net charges of $121 million in Individual Annuities and Retirement to reflect changes in embedded derivative liabilities to recognize the company's market-based non-performance risk
  - Net income reflects pretax realized investment losses from decreases in market value of derivatives used in investment duration management and hedging programs of $519 million, impairments and sales of credit-impaired fixed income investments of $353 million, and $64 million of impairments on equity securities
- **Operational highlights for the second quarter:**
  - Individual Annuity gross sales reach record high $3.4 billion, up from $2.8 billion a year ago; net sales $2.0 billion, up from $518 million a year ago
  - Full Service Retirement gross deposits and sales of $3.9 billion and net additions of $87 million, compared to gross deposits and sales of $4.5 billion and net additions of $164 million a year ago
  - Individual life annualized new business premiums, $98 million, up from $84 million a year ago
  - Group insurance annualized new business premiums of $61 million, up from $47 million a year ago
  - International insurance constant dollar basis annualized new business premiums of $323 million, compared to $335 million a year ago

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- Assets under management, $580 billion at June 30, 2009, compared to $558 billion at December 31, 2008
- Parent company cash and short-term investments of $4.7 billion at June 30 after repayment during the quarter of $1.8 billion principal amount of Prudential Financial convertible debt securities

NEWARK, N.J. – Prudential Financial, Inc. (NYSE:PRU) today reported net income of its Financial Services Businesses attributable to Prudential Financial, Inc. of $538 million ($1.25 per Common share) for the second quarter of 2009, compared to $566 million ($1.32 per Common share) for the year-ago quarter. After-tax adjusted operating income for the Financial Services Businesses was $817 million ($1.88 per Common share) for the second quarter of 2009, compared to $845 million ($1.96 per Common share) for the second quarter of 2008. Adjusted operating income is a non-GAAP measure as discussed below.

For the first half of 2009, net income for the Financial Services Businesses attributable to Prudential Financial, Inc. amounted to $533 million ($1.28 per Common share) compared to $634 million ($1.49 per Common share) for the first half of 2008. First half 2009 after-tax adjusted operating income for the Financial Services Businesses amounted to $1.253 billion ($2.94 per Common share), compared to $1.536 billion ($3.52 per Common share) for the first half of 2008.

"Our current quarter results reflect improvements in financial markets, together with our strengthening competitive position. Sales and net flows were solid across the board in the second quarter and first half. Variable annuity sales and flows, and individual life sales, were especially strong this quarter. We are confident that we are gaining ground as clients look to Prudential as a partner with the strength to stand behind promises of financial security over a lifetime and the innovative solutions to grow and protect wealth through market cycles. While the broad economy still holds challenges and continues to negatively affect values in our investment portfolio, we've bolstered our capital position through recent public issues of equity and long-term debt, adding to our strength to withstand severe stress environments while enhancing our position to take advantage of opportunities for business growth," said Chairman and Chief Executive Officer John Strangfeld.

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"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 $5.00 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.

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.

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 $564 million for the second quarter of 2009, compared to $485 million in the year-ago quarter.

The Individual Annuities segment reported adjusted operating income of $432 million in the current quarter, compared to $154 million in the year-ago quarter. Current quarter results benefited $274 million from net reductions in reserves for guaranteed minimum death and income benefits and $142 million from a net reduction in amortization of deferred policy acquisition and other costs reflecting an updated estimate of profitability for this business. These benefits to results were largely driven by increases in customer account values during the current quarter. Results for the year-ago quarter included a net benefit of $6 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 charge of $55 million to current quarter adjusted operating income, which reflects a net charge of $112 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 $2 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 $79 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 $99 million for the current quarter, compared to $141 million in the year-ago quarter. Current quarter results reflect lower fees associated with market value declines in customer account values, as well as less favorable case experience on traditional retirement business. In addition, current quarter results included a net charge of $9 million from the required adjustment of liabilities for contract guarantees to recognize market-based non-performance risk.

The Asset Management segment reported adjusted operating income of $33 million for the current quarter, compared to $190 million in the year-ago quarter. The decrease came primarily from unfavorable results from proprietary investing and commercial mortgage activities, and from lower performance-based fees primarily related to institutional real estate funds.

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The **U.S. Individual Life and Group Insurance division** reported adjusted operating income of $243 million for the second quarter of 2009, compared to $183 million in the year-ago quarter.

The Individual Life segment reported adjusted operating income of $138 million for the current quarter, compared to $103 million in the year-ago quarter. Results benefited from lower net amortization of deferred policy acquisition costs and other items driven by favorable current quarter separate account performance. In addition, current quarter results reflected more favorable mortality experience than that of the year-ago quarter. Lower fees associated with customer account values, reflecting market value declines from the level of a year earlier, partially offset these items.

The Group Insurance segment reported adjusted operating income of $105 million in the current quarter, compared to $80 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.

The **International Insurance and Investments division** reported adjusted operating income of $481 million for the second quarter of 2009, compared to $479 million in the year-ago quarter.

The International Insurance segment reported adjusted operating income of $465 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 $315 million for the current quarter, compared to $286 million in the year-ago quarter. Current quarter results reflected a net benefit of $21 million from refinements due to implementation of a new policy valuation system and expenses related to technology improvements. Excluding these items, adjusted operating income of the Life Planner insurance operations increased $8 million from the year-ago quarter, reflecting continued business growth partially offset by a less favorable level of benefits and expenses. The segment’s Gibraltar Life operations reported adjusted operating income of $150

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million for the current quarter, compared to $167 million in the year-ago quarter. Current quarter results reflected net charges of $7 million from refinements due to implementation of a new policy valuation system. In addition, current quarter results reflect a less favorable level of benefits and expenses and a lower contribution from investment results than the year-ago quarter. 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.

The International Investments segment reported adjusted operating income of $16 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 $162 million in the second quarter of 2009, compared to a loss of $20 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 Company's real estate and relocation business reported adjusted operating income of $3 million for the current quarter, compared to a loss of $3 million in the year-ago quarter.

Assets under management amounted to $580 billion at June 30, 2009, compared to $638 billion a year earlier and $558 billion at December 31, 2008.

Net income of the Financial Services Businesses attributable to Prudential Financial, Inc. amounted to $538 million for the second quarter of 2009, compared to $566 million in the year-ago quarter.

Current quarter net income includes $877 million of pre-tax net realized investment losses and related charges and adjustments. Net realized investment losses in the current quarter include

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$519 million net decreases in market value of derivatives used in the company's investment duration management and hedging programs which were primarily driven by changes in interest rates, and $444 million of losses from impairments and sales of credit-impaired investments. The losses from impairments and sales of credit-impaired securities reflect $353 million on fixed maturity investments, including $209 million relating to asset-backed securities collateralized by sub-prime mortgages, $64 million of impairments on equity securities, and $27 million of impairments on other investments. The foregoing realized investment losses were partially offset by increases in market value of certain externally managed investments in the European market.

At June 30, 2009, gross unrealized losses on general account fixed maturity investments of the Financial Services Businesses amounted to $7.806 billion, including $5.480 billion on investment-grade securities. Gross unrealized losses include $2.088 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 June 30, 2009 include $4.140 billion of declines in value of 20% or more of amortized cost, of which $3.842 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 $4.352 billion at June 30, 2009, compared to $6.567 billion at December 31, 2008.

Net income for the current quarter also reflects pre-tax increases of $686 million in recorded asset values and $347 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. Net income for the current quarter also includes $24 million of pre-tax losses from divested businesses, primarily reflecting a $15 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

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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 exercised 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 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 $10 million of transition costs related to Wachovia’s acquisition of A. G. Edwards.

In addition, net income for the current quarter includes income from discontinued operations of $21 million (net of related taxes).

Net income of the Financial Services Businesses for the year-ago quarter included $486 million of pre-tax net realized investment losses and related charges and adjustments, decreases of $123 million in recorded assets and $94 million in recorded liabilities for which changes in value are expected to ultimately accrue to contractholders, and income of $10 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 a loss from continuing operations before income taxes of $586 million for the second quarter of 2009, compared to income from continuing operations before income taxes of $38 million for the year-ago quarter. Current quarter results include pre-tax net realized investment losses of $857 million, while results for the year-ago quarter include net realized investment losses of $348 million. Net realized investment losses in the current quarter include $440 million net decreases in market value of derivatives used in hedging and investment duration management programs which were primarily driven by changes in interest rates, and $387 million of losses from impairments and sales of credit-impaired securities.

The Closed Block Business reported a net loss attributable to Prudential Financial, Inc. for the second quarter of 2009 of $375 million, compared to net income attributable to Prudential Financial, Inc. of $15 million for the year-ago quarter.

For the first half of 2009, the Closed Block Business reported a loss from continuing operations before income taxes of $556 million, compared to income from continuing operations before income taxes of $12 million for the first half of 2008. The Closed Block Business reported a net loss attributable to Prudential Financial, Inc. of $356 million for the first half of 2009 and net income attributable to Prudential Financial, Inc. of $7 million for the first half of 2008.

Consolidated Results

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

On a consolidated basis, which includes the results of both the Financial Services Businesses and the Closed Block Business, Prudential Financial, Inc. reported net income attributable to Prudential Financial, Inc. of $163 million for the second quarter of 2009 compared to $581 million for the year-ago quarter, and reported net income attributable to Prudential Financial, Inc. of $177 million for the first half of 2009 and $641 million for the first half of 2008.

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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 since the second half of 2007; (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 period since the second half of 2007 has been characterized by extreme adverse market and economic conditions. 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.

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.

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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.

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 adjustments made to derive adjusted operating income 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.

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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 Quarterly Report on Form 10-Q for the quarter ended March 31, 2009 and 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, August 6, 2009 at 11 a.m. ET, to discuss with the investment community the Company's second 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 August 21. Institutional investors, analysts, and other members of the professional 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 August 6, through August 13, dial (800) 475-6701 (domestic callers) or (320) 365-3844 (international callers). The access code for the replay is 986904.

Prudential Financial, Inc. (NYSE: PRU), a financial services leader with approximately $580 billion of assets under management as of June 30, 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 June 30 2009	Three Months Ended June 30 2008	Six Months Ended June 30 2009	Six Months Ended June 30 2008
Financial Services Businesses Income Statement Data:				
Adjusted Operating Income (1):				
Revenues:				
Premiums	$ 3,320	$ 2,961	$ 6,581	$ 6,063
Policy charges and fee income	766	809	1,500	1,633
Net investment income	2,053	2,145	4,117	4,255
Asset management fees, commissions and other income	199	939	2,144	1,821
Total revenues	6,338	6,854	14,342	13,772
Benefits and expenses:				
Insurance and annuity benefits	2,928	2,944	6,392	6,026
Interest credited to policyholders' account balances	725	803	1,811	1,609
Interest expense	239	248	486	546
Other expenses	1,320	1,732	3,950	3,533
Total benefits and expenses	5,212	5,727	12,639	11,714
Adjusted operating income before income taxes	1,126	1,127	1,703	2,058
Income taxes, applicable to adjusted operating income	309	282	450	522
Financial Services Businesses after-tax adjusted operating income (1)	817	845	1,253	1,536
Reconciling Items:				
Realized investment losses, net, and related charges and adjustments	(877)	(486)	(1,543)	(1,164)
Investment gains (losses) on trading account assets supporting insurance liabilities, net	686	(123)	831	(385)
Change in experience-rated contractholder liabilities due to asset value changes	(347)	94	(392)	294
Divested businesses	(24)	10	(56)	(57)
Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	14	(32)	17	(68)
Total reconciling items, before income taxes	(548)	(537)	(1,143)	(1,380)
Income taxes, not applicable to adjusted operating income	(260)	(245)	(408)	(444)
Total reconciling items, after income taxes	(288)	(292)	(735)	(936)
Income from continuing operations (after-tax) of Financial Services Businesses before equity in earnings of operating joint ventures	529	553	518	600
Equity in earnings of operating joint ventures, net of taxes and earnings attributable to noncontrolling interests	(12)	16	(7)	35
Income from continuing operations attributable to Prudential Financial, Inc.	517	569	511	635
Earnings attributable to noncontrolling interests	17	8	6	32
Income from continuing operations (after-tax) of Financial Services Businesses	534	577	517	667
Income (loss) from discontinued operations, net of taxes	21	(3)	22	(1)
Net income of Financial Services Businesses	555	574	539	666
Less: Income attributable to noncontrolling interests	17	8	6	32
Net income of Financial Services Businesses attributable to Prudential Financial, Inc.	$ 538	$ 566	$ 533	$ 634

See footnotes on last page.

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

	Three Months Ended June 30 2009	Three Months Ended June 30 2008	Six Months Ended June 30 2009	Six Months Ended June 30 2008
Earnings per share of Common Stock (diluted) (2) (3):				
Financial Services Businesses after-tax adjusted operating income	$ 1.88	$ 1.96	$ 2.94	$ 3.52
Reconciling Items:				
Realized investment losses, net, and related charges and adjustments	(2.02)	(1.11)	(3.60)	(2.64)
Investment gains (losses) on trading account assets supporting insurance liabilities, net	1.58	(0.28)	1.94	(0.87)
Change in experience-rated contract holder liabilities due to asset value changes	(0.80)	0.22	(0.91)	0.67
Divested businesses	(0.06)	0.02	(0.14)	(0.13)
Difference in earnings allocated to participating unvested share-based payment awards	0.01	—	0.01	0.01
Total reconciling items, before income taxes	(1.29)	(1.15)	(2.70)	(2.96)
Income taxes, not applicable to adjusted operating income	(0.61)	(0.52)	(0.99)	(0.93)
Total reconciling items, after income taxes	(0.68)	(0.63)	(1.71)	(2.03)
Income from continuing operations (after-tax) of Financial Services Businesses attributable to Prudential Financial, Inc.	1.20	1.33	1.23	1.49
Income (loss) from discontinued operations, net of taxes	0.05	(0.01)	0.05	—
Net income of Financial Services Businesses attributable to Prudential Financial, Inc.	$ 1.25	$ 1.32	$ 1.28	$ 1.49
Weighted average number of outstanding Common shares (basic)	432.9	431.9	427.5	437.0
Weighted average number of outstanding Common shares (diluted)	434.3	436.5	428.7	441.6
Direct equity adjustment for earnings per share calculation (2)	$ 11	$ 14	$ 22	$ 26
Earnings allocated to participating unvested share-based payment awards for earnings per share calculation (3)				
Financial Services Businesses after-tax adjusted operating income	$ 10	$ 5	$ 14	$ 9
Income from continuing operations (after-tax) of Financial Services Businesses	$ 6	$ 4	$ 6	$ 4
Financial Services Businesses Attributed Equity (as of end of period):				
Total attributed equity	$18,681	$20,541		
Per share of Common Stock - diluted	40.20	47.67		
Attributed equity excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension/postretirement benefits	$22,452	$22,321		
Per share of Common Stock - diluted	48.32	51.80		
Number of diluted shares at end of period	464.7	430.9		
Adjusted operating income before income taxes, by Segment (1):				
Individual Annuities	$ 432	$ 154	$ 449	$ 269
Retirement	99	141	258	265
Asset Management	33	190	32	309
Total U.S. Retirement Solutions and Investment Management Division	564	485	739	843
Individual Life	138	103	178	199
Group Insurance	105	80	198	170
Total U.S. Individual Life and Group Insurance Division	243	183	376	369
International Insurance	465	453	890	866
International Investments	16	26	26	51
Total International Insurance and Investments Division	481	479	916	917
Corporate and Other operations	(162)	(20)	(328)	(71)
Financial Services Businesses adjusted operating income before income taxes	1,126	1,127	1,703	2,058
Reconciling Items:				
Realized investment losses, net, and related charges and adjustments	(877)	(486)	(1,543)	(1,164)
Investment gains (losses) on trading account assets supporting insurance liabilities, net	686	(123)	831	(385)
Change in experience-rated contract holder liabilities due to asset value changes	(347)	94	(392)	294
Divested businesses	(24)	10	(56)	(57)
Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	14	(32)	17	(68)
Total reconciling items, before income taxes	(548)	(537)	(1,143)	(1,380)
Income from continuing operations before income taxes and equity in earnings of operating joint ventures - Financial Services Businesses	$ 578	$ 590	$ 560	$ 678

See footnotes on last page.

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

	Three Months Ended June 30 2009	Three Months Ended June 30 2008	Six Months Ended June 30 2009	Six Months Ended June 30 2008
U.S. Retirement Solutions and Investment Management Division:				
Fixed and Variable Annuity Sales and Account Values:				
Gross sales	$ 3,419	$ 2,764	$ 5,582	$5,610
Net sales	$ 2,029	$ 518	$ 2,672	$1,138
Total account value at end of period	$ 68,320	$ 78,101		
Retirement Segment:				
Full Service:				
Deposits and sales	$ 3,890	$ 4,530	$14,379	$9,116
Net additions	$ 87	$ 164	$ 6,345	$ 817
Total account value at end of period	$110,950	$106,917		
Institutional Investment Products:				
Gross additions	$ 2,343	$ 1,606	$ 2,970	$3,416
Net additions (withdrawals)	$ 1,071	$ (338)	$ (339)	$ (230)
Total account value at end of period	$ 49,475	$ 51,513		
Asset Management Segment:				
Assets managed by Investment Management and Advisory Services (in billions, as of end of period):				
Institutional customers	$ 163.5	$ 179.3		
Retail customers	70.3	84.6		
General account	175.6	175.0		
Total Investment Management and Advisory Services	$ 409.4	$ 438.9		
Institutional Assets Under Management (in billions):				
Gross additions, other than money market	$ 7.7	$ 10.9	$ 12.6	$ 17.2
Net additions, other than money market	$ 1.2	$ 6.4	$ 1.5	$ 8.4
Retail Assets Under Management (in billions):				
Gross additions, other than money market	$ 4.6	$ 3.8	$ 8.1	$ 7.3
Net additions, other than money market	$ 1.9	$ 0.9	$ 2.1	$ 1.9
U.S. Individual Life and Group Insurance Division:				
Individual Life Insurance Annualized New Business Premiums (4):				
Excluding corporate-owned life insurance				
Variable life	$ 5	$ 10	$ 9	$ 21
Universal life	32	22	60	39
Term life	61	52	113	103
Total excluding corporate-owned life insurance	98	84	182	163
Corporate-owned life insurance	—	—	—	—
Total	$ 98	$ 84	$ 182	$ 163
Group Insurance Annualized New Business Premiums (4):				
Group life	$ 35	$ 30	$ 245	$ 142
Group disability	26	17	160	131
Total	$ 61	$ 47	$ 405	$ 273
International Insurance and Investments Division:				
International Insurance Annualized New Business Premiums (4) (5):				
Actual exchange rate basis	$ 328	$ 336	$ 661	$ 665
Constant exchange rate basis:	$ 323	$ 335	$ 652	$ 664

See footnotes on last page.

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

	Three Months Ended June 30		Six Months Ended June 30	
	2009	2008	2009	2008
Closed Block Business Data:				
Income Statement Data:				
Revenues	$ 825	$ 1,496	$ 1,965	$ 3,167
Benefits and expenses	1,411	1,458	2,521	3,155
Income (loss) from continuing operations before income taxes	(586)	38	(556)	12
Income taxes	(211)	23	(200)	5
Closed Block Business income (loss) from continuing operations	(375)	15	(356)	7
Income from discontinued operations, net of taxes	—	—	—	—
Closed Block Business net income (loss)	(375)	15	(356)	7
Less: Income attributable to noncontrolling interests	—	—	—	—
Closed Block Business net income (loss) attributable to Prudential Financial, Inc.	$ (375)	$ 15	$ (356)	$ 7
Direct equity adjustment for earnings per share calculation (2)	(11)	(14)	(22)	(26)
Earnings available to holders of Class B Stock after direct equity adjustment - based on net income (loss)	$ (386)	$ 1	$ (378)	$ (19)
Income (loss) from continuing operations per share of Class B Stock	$(193.00)	$ 0.50	$(189.00)	$ (9.50)
Income from discontinued operations, net of taxes per share of Class B Stock	—	—	—	—
Net income (loss) per share of Class B Stock	$(193.00)	$ 0.50	$(189.00)	$ (9.50)
Weighted average diluted shares outstanding during period	2.0	2.0	2.0	2.0
Closed Block Business Attributed Equity (as of end of period):				
Total attributed equity	$ (608)	$ 1,067		
Per Share of Class B Stock	(304.00)	533.50		
Attributed equity excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension/postretirement benefits	$ 883	$ 1,305		
Per Share of Class B Stock	441.50	652.50		
Number of Class B Shares at end of period	2.0	2.0		
Consolidated Data:				
Consolidated Income Statement Data:				
Revenues	$ 6,906	$ 7,703	$ 15,465	$15,261
Benefits and expenses	6,914	7,075	15,461	14,571
Income (loss) from continuing operations before income taxes and equity in earnings of operating joint ventures	(8)	628	4	690
Income tax expense (benefit)	(162)	60	(158)	83
Income from continuing operations before equity in earnings of operating joint ventures	154	568	162	607
Equity in earnings of operating joint ventures, net of taxes	5	24	(1)	67
Income from continuing operations	159	592	161	674
Income (loss) from discontinued operations, net of taxes	21	(3)	22	(1)
Consolidated net income	180	589	183	673
Less: Income attributable to noncontrolling interests	17	8	6	32
Net income attributable to Prudential Financial, Inc.	$ 163	$ 581	$ 177	$ 641
Net income attributable to Prudential Financial, Inc.:				
Financial Services Businesses	$ 538	$ 566	$ 533	$ 634
Closed Block Business	(375)	15	(356)	7
Consolidated net income attributable to Prudential Financial, Inc.	$ 163	$ 581	$ 177	$ 641
Assets and Asset Management Information (in billions, as of end of period)				
Total assets	$ 444.7	$ 474.6		
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	$ 409.4	$ 438.9		
Non-proprietary assets under management	89.3	115.3		
Total managed by U.S. Retirement Solutions and Investment Management Division	498.7	554.2		
Managed by U.S. Individual Life and Group Insurance Division	11.2	14.3		
Managed by International Insurance and Investments Division	69.7	69.4		
Total assets under management	579.6	637.9		
Client assets under administration	106.7	125.0		
Total assets under management and administration	$ 686.3	$ 762.9		

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)

Quarterly Financial Supplement

FINANCIAL SERVICES BUSINESSES
SECOND 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.

August 5, 2009

CONTENTS

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

This Quarterly Financial Supplement reflects the classification of the results for the company's mutual fund and banking operations in Mexico as discontinued operations, for all periods presented, as a result of an agreement to sell these operations.

FINANCIAL HIGHLIGHTS
(in millions, except per share data)

Year-to-date 2009	Year-to-date 2008	% Change		2008 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
			Financial Services Businesses:					
			Pre-tax adjusted operating income (loss) by division:					
739	843	-12%	U.S. Retirement Solutions and Investment Management Division	485	(182)	(975)	175	564
376	369	2%	U.S. Individual Life and Group Insurance Division	183	339	78	133	243
916	917	0%	International Insurance and Investments Division	479	497	1	435	481
(328)	(71)	-362%	Corporate and other operations	(20)	(38)	(288)	(166)	(162)
1,703	2,058	-17%	Total pre-tax adjusted operating income (loss)	1,127	616	(1,184)	577	1,126
450	522	-14%	Income taxes, applicable to adjusted operating income	282	186	(305)	141	309
1,253	1,536	-18%	**Financial Services Businesses after-tax adjusted operating income (loss)**	845	430	(879)	436	817
			Reconciling items:					
(1,543)	(1,164)	-33%	Realized investment losses, net, and related charges and adjustments	(486)	(547)	(511)	(666)	(877)
831	(385)	316%	Investment gains (losses) on trading account assets supporting insurance liabilities, net	(123)	(534)	(815)	145	686
(392)	294	-233%	Change in experience-rated contractholder liabilities due to asset value changes	94	388	481	(45)	(347)
(56)	(57)	2%	Divested businesses	10	(219)	(230)	(32)	(24)
17	(68)	125%	Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	(32)	213	509	3	14
(1,143)	(1,380)	17%	Total reconciling items, before income taxes	(537)	(699)	(566)	(595)	(548)
(408)	(444)	8%	Income taxes, not applicable to adjusted operating income	(245)	(280)	(159)	(148)	(260)
(735)	(936)	21%	Total reconciling items, after income taxes	(292)	(419)	(407)	(447)	(288)
518	600	-14%	**Income (loss) from continuing operations (after-tax) of Financial Services Businesses before equity in earnings of operating joint ventures**	553	11	(1,286)	(11)	529
(7)	35	-120%	Equity in earnings of operating joint ventures, net of taxes and earnings attributable to noncontrolling interests	16	(134)	(384)	5	(12)
511	635		**Income (loss) from continuing operations attributable to Prudential Financial, Inc.**	569	(123)	(1,670)	(6)	517
6	32		Earnings attributable to noncontrolling interests	8	5	(1)	(11)	17
517	667	-22%	**Income (loss) from continuing operations (after-tax) of Financial Services Businesses**	577	(118)	(1,671)	(17)	534
22	(1)	2300%	Income (loss) from discontinued operations, net of taxes	(3)	5	14	1	21
539	666	-19%	**Net income (loss) of Financial Services Businesses**	574	(113)	(1,657)	(16)	555
6	32		Less: Income (loss) attributable to noncontrolling interests	8	5	(1)	(11)	17
533	634		**Net income (loss) of Financial Services Businesses attributable to Prudential Financial, Inc.**	566	(118)	(1,656)	(5)	538
12.20%	13.80%		Operating Return on Average Equity (based on adjusted operating income)	15.32%	8.02%	-16.60%	8.89%	15.48%
			Reconciliation to Consolidated Net Income Attributable to Prudential Financial, Inc:					
533	634		Net income (loss) of Financial Services Businesses attributable to Prudential Financial, Inc. (above)	566	(118)	(1,656)	(5)	538
(356)	7		Net income (loss) of Closed Block Business attributable to Prudential Financial, Inc.	15	(58)	74	19	(375)
177	641		Consolidated net income (loss) attributable to Prudential Financial, Inc.	581	(176)	(1,582)	14	163

FINANCIAL HIGHLIGHTS
(in millions, except per share data)

Year-to-date 2009	Year-to-date 2008	% Change		2008 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
			Earnings per share of Common Stock (diluted) (1):					
2.94	3.52		Financial Services Businesses after-tax adjusted operating income (loss)	1.96	1.02	(2.04)	1.05	1.88
			Reconciling items:					
(3.60)	(2.64)		Realized investment losses, net, and related charges and adjustments	(1.11)	(1.28)	(1.21)	(1.57)	(2.02)
1.94	(0.87)		Investment gains (losses) on trading account assets supporting insurance liabilities, net	(0.28)	(1.25)	(1.93)	0.34	1.58
(0.91)	0.67		Change in experience-rated contractholder liabilities due to asset value changes	0.22	0.91	1.14	(0.11)	(0.80)
(0.14)	(0.13)		Divested businesses	0.02	(0.51)	(0.55)	(0.08)	(0.06)
0.01	0.01		Difference in earnings allocated to participating unvested share-based payment awards	—	—	—	0.01	0.01
(2.70)	(2.96)		Total reconciling items, before income taxes	(1.15)	(2.13)	(2.55)	(1.41)	(1.29)
(0.99)	(0.93)		Income taxes, not applicable to adjusted operating income	(0.52)	(0.84)	(0.67)	(0.37)	(0.61)
(1.71)	(2.03)		Total reconciling items, after income taxes	(0.63)	(1.29)	(1.88)	(1.04)	(0.68)
1.23	1.49		**Income (loss) from continuing operations (after-tax) of Financial Services Businesses attributable to Prudential Financial, Inc.**	1.33	(0.27)	(3.92)	0.01	1.20
0.05	—		Income (loss) from discontinued operations, net of taxes	(0.01)	0.02	0.03	—	0.05
1.28	1.49		**Net income (loss) of Financial Services Businesses attributable to Prudential Financial, Inc.**	1.32	(0.25)	(3.89)	0.01	1.25
427.5	437.0		Weighted average number of outstanding Common shares (basic)	431.9	423.8	421.3	422.1	432.9
428.7	441.6		Weighted average number of outstanding Common shares (diluted)	436.5	428.0	423.0	423.2	434.3
22	26		Direct equity adjustments for earnings per share calculation	14	10	19	11	11
			Earnings allocated to participating unvested share-based payment awards for earnings per share calculation					
14	9		Financial Services Businesses after-tax adjusted operating income	5	3	1	4	10
6	4		Income from continuing operations (after-tax) of Financial Services Businesses	4	—	1	—	6

(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 the 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.

FINANCIAL HIGHLIGHTS
(in millions, except per share data)

Year-to-date 2009	Year-to-date 2008		2008 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
		Financial Services Businesses Capitalization Data (1):					
		Senior Debt:					
		Short-term debt	12,895	13,744	10,092	6,651	3,643
		Long-term debt	13,856	14,602	17,022	17,394	17,713
		Junior Subordinated Long-Term Debt	1,398	1,518	1,518	1,518	1,518
		Attributed Equity:					
		Including accumulated other comprehensive income	20,541	18,780	14,292	14,349	18,681
		Excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension / postretirement benefits	22,321	21,553	19,899	20,337	22,452
		Excluding total accumulated other comprehensive income	21,772	21,343	19,529	20,238	22,194
		Total Capitalization:					
		Including accumulated other comprehensive income	35,795	34,900	32,832	33,261	37,912
		Excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension / postretirement benefits	37,575	37,673	38,439	39,249	41,683
		Excluding total accumulated other comprehensive income	37,026	37,463	38,069	39,150	41,425
		Book value per share of Common Stock:					
		Including accumulated other comprehensive income	47.67	43.92	33.69	33.83	40.20
		Excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension / postretirement benefits	51.80	50.40	46.91	47.95	48.32
		Excluding total accumulated other comprehensive income	50.53	49.91	46.04	47.72	47.76
		Number of diluted shares at end of period	430.9	427.6	424.2	424.1	464.7
		Common Stock Price Range (based on closing price):					
46.00	91.36	High	82.21	86.25	64.80	35.11	46.00
11.29	59.74	Low	59.74	56.07	13.73	11.29	20.50
37.22	59.74	Close	59.74	72.00	30.26	19.02	37.22
		Common Stock market capitalization (1)	25,465	30,362	12,749	8,042	17,139

(1) As of end of period.

OPERATIONS HIGHLIGHTS

Year-to-date 2009	Year-to-date 2008		2008 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
		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	179.3	170.9	161.2	152.7	163.5
		Retail customers	84.6	75.4	61.6	61.3	70.3
		General account	175.0	175.2	172.6	172.3	175.6
		Total Investment Management and Advisory Services	438.9	421.5	395.4	386.3	409.4
		Non-proprietary assets under management	115.3	97.6	80.5	75.1	89.3
		Total managed by U.S. Retirement Solutions and Investment Management Division	554.2	519.1	475.9	461.4	498.7
		Managed by U.S. Individual Life and Group Insurance Division	14.3	13.3	12.4	11.9	11.2
		Managed by International Insurance and Investments Division:	69.4	69.9	69.9	68.4	69.7
		Total assets under management	637.9	602.3	558.2	541.7	579.6
		Client assets under administration	125.0	112.1	101.1	98.8	106.7
		Total assets under management and administration	762.9	714.4	659.3	640.5	686.3
		Assets managed or administered for customers outside of the United States at end of period	120.0	115.6	112.6	110.4	115.2
		Distribution Representatives (1):					
		Prudential Agents	2,446	2,482	2,360	2,389	2,421
		International Life Planners	6,179	6,267	6,365	6,397	6,375
		Gibraltar Life Advisors	5,899	6,057	6,330	6,170	6,376
45	54	***Prudential Agent productivity ($ thousands)***	58	55	70	41	49

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

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

Year-to-date 2009	Year-to-date 2008	% Change		2008 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
			Revenues (1):					
6,581	6,063	9%	Premiums	2,961	2,798	2,997	3,261	3,320
1,500	1,633	-8%	Policy charges and fee income	809	709	781	734	766
4,117	4,255	-3%	Net investment income	2,145	2,076	2,099	2,064	2,053
2,144	1,821	18%	Asset management fees, commissions and other income	939	770	10	1,945	199
14,342	13,772	4%	Total revenues	6,854	6,353	5,887	8,004	6,338
			Benefits and Expenses (1):					
6,392	6,026	6%	Insurance and annuity benefits	2,944	3,040	3,472	3,464	2,928
1,811	1,609	13%	Interest credited to policyholders' account balances	803	853	881	1,086	725
486	546	-11%	Interest expense	248	287	303	247	239
(1,219)	(1,176)	-4%	Deferral of acquisition costs	(588)	(559)	(567)	(578)	(641)
1,135	653	74%	Amortization of acquisition costs	315	238	512	1,205	(70)
4,034	4,056	-1%	General and administrative expenses	2,005	1,878	2,470	2,003	2,031
12,639	11,714	8%	Total benefits and expenses	5,727	5,737	7,071	7,427	5,212
1,703	2,058	-17%	Adjusted operating income (loss) before income taxes	1,127	616	(1,184)	577	1,126
			Reconciling items:					
(1,582)	(1,192)	-33%	Realized investment losses, net, and related adjustments	(527)	(564)	(511)	(710)	(872)
39	28	39%	Related charges	41	17	—	44	(5)
(1,543)	(1,164)	-33%	Total realized investment losses, net, and related charges and adjustments	(486)	(547)	(511)	(666)	(877)
831	(385)	316%	Investment gains (losses) on trading account assets supporting insurance liabilities, net	(123)	(534)	(815)	145	686
(392)	294	-233%	Change in experience-rated contractholder liabilities due to asset value changes	94	388	481	(45)	(347)
(56)	(57)	2%	Divested businesses	10	(219)	(230)	(32)	(24)
17	(68)	125%	Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	(32)	213	509	3	14
(1,143)	(1,380)	17%	Total reconciling items, before income taxes	(537)	(699)	(566)	(595)	(548)
560	678	-17%	Income (loss) from continuing operations before income taxes and equity in earnings of operating joint ventures	590	(83)	(1,750)	(18)	578
42	78	-46%	Income tax expense (benefit)	37	(94)	(464)	(7)	49
518	600	-14%	Income (loss) from continuing operations before equity in earnings of operating joint ventures	553	11	(1,286)	(11)	529

(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 and include charges for income attributable to non controlling interests.

Prudential

COMBINED BALANCE SHEETS - FINANCIAL SERVICES BUSINESSES
(in millions)

	6/30/2008	9/30/2008	12/31/2008	3/31/2009	6/30/2009
Assets:					
Investments:					
Fixed maturities, available for sale, at fair value (amortized cost $116,193; $118,111; $125,753; $123,589; $123,430)	114,541	114,626	119,153	116,094	119,084
Fixed maturities, held to maturity, at amortized cost (fair value $3,490; $3,410; $3,832; $4,629; $4,938)	3,572	3,481	3,808	4,661	4,935
Trading account assets supporting insurance liabilities, at fair value	14,624	14,392	13,875	13,973	14,766
Other trading account assets, at fair value	2,984	3,240	4,216	4,445	3,550
Equity securities, available for sale, at fair value (cost $4,686; $4,634; $4,273; $3,893; $3,380)	4,567	4,258	3,665	3,425	3,404
Commercial mortgage and other loans	23,837	24,173	24,366	24,069	23,961
Policy loans	4,207	3,822	4,280	4,230	4,413
Securities purchased under agreements to resell	184	171	480	—	—
Other long-term investments	5,683	5,255	5,383	4,247	4,170
Short-term investments	5,601	6,621	4,092	3,458	5,790
Total investments	179,800	180,039	183,318	178,602	184,073
Cash and cash equivalents	8,762	9,907	13,054	12,748	11,798
Accrued investment income	1,531	1,551	1,603	1,610	1,571
Deferred policy acquisition costs	12,203	12,472	13,127	12,223	12,768
Deferred income taxes, net	—	—	(533)	(462)	—
Other assets	25,605	25,624	21,962	18,452	19,142
Separate account assets	179,323	165,148	147,095	139,638	151,266
Total assets	407,224	394,741	379,626	362,811	380,618
Liabilities:					
Future policy benefits	62,449	62,027	70,221	67,417	69,699
Policyholders' account balances	86,337	90,871	93,991	95,033	95,680
Securities sold under agreements to repurchase	4,307	4,209	4,288	3,743	3,467
Cash collateral for loaned securities	2,808	2,231	2,684	1,966	2,233
Income taxes	3,442	2,493	364	773	2,213
Senior short-term debt	12,895	13,744	10,092	6,651	3,643
Senior long-term debt	13,856	14,602	17,022	17,394	17,713
Junior subordinated long-term debt	1,398	1,518	1,518	1,518	1,518
Other liabilities	19,575	18,817	17,708	13,753	13,903
Separate account liabilities	179,323	165,148	147,095	139,638	151,266
Total liabilities	386,390	375,660	364,983	347,886	361,335
Attributed Equity:					
Accumulated other comprehensive loss	(1,231)	(2,563)	(5,237)	(5,889)	(3,513)
Other attributed equity	21,772	21,343	19,529	20,238	22,194
Total attributed equity	20,541	18,780	14,292	14,349	18,681
Noncontrolling Interest	293	301	351	576	602
Total Equity	20,834	19,081	14,643	14,925	19,283
Total liabilities and equity	407,224	394,741	379,626	362,811	380,618

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

	Quarter Ended June 30, 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	3,320	261	1,156	1,911	(8)
Policy charges and fee income	766	269	412	91	(6)
Net investment income	2,053	1,114	350	509	80
Asset management fees, commissions and other income	199	43	88	130	(62)
Total revenues	6,338	1,687	2,006	2,641	4
Benefits and Expenses (1):					
Insurance and annuity benefits	2,928	257	1,222	1,465	(16)
Interest credited to policyholders' account balances	725	527	119	110	(31)
Interest expense	239	16	47	1	175
Deferral of acquisition costs	(641)	(217)	(136)	(299)	11
Amortization of acquisition costs	(70)	(351)	74	214	(7)
General and administrative expenses	2,031	891	437	669	34
Total benefits and expenses	5,212	1,123	1,763	2,160	166
Adjusted operating income (loss) before income taxes	1,126	564	243	481	(162)

	Quarter Ended June 30, 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	2,961	151	1,076	1,736	(2)
Policy charges and fee income	809	353	380	82	(6)
Net investment income	2,145	1,155	343	504	143
Asset management fees, commissions and other income	939	734	95	155	(45)
Total revenues	6,854	2,393	1,894	2,477	90
Benefits and Expenses (1):					
Insurance and annuity benefits	2,944	398	1,168	1,360	18
Interest credited to policyholders' account balances	803	635	113	101	(46)
Interest expense	248	51	50	4	143
Deferral of acquisition costs	(588)	(183)	(122)	(299)	16
Amortization of acquisition costs	315	84	87	152	(8)
General and administrative expenses	2,005	923	415	680	(13)
Total benefits and expenses	5,727	1,908	1,711	1,998	110
Adjusted operating income (loss) before income taxes	1,127	485	183	479	(20)

(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 and include charges for income attributable to non controlling interests.

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

	Six Months Ended June 30, 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	6,581	436	2,346	3,810	(11)
Policy charges and fee income	1,500	518	805	190	(13)
Net investment income	4,117	2,260	703	1,043	111
Asset management fees, commissions and other income	2,144	1,836	165	236	(93)
Total revenues	14,342	5,050	4,019	5,279	(6)
Benefits and Expenses (1):					
Insurance and annuity benefits	6,392	899	2,498	2,966	29
Interest credited to policyholders' account balances	1,811	1,422	238	229	(78)
Interest expense	486	41	98	2	345
Deferral of acquisition costs	(1,219)	(366)	(261)	(608)	16
Amortization of acquisition costs	1,135	527	210	416	(18)
General and administrative expenses	4,034	1,788	860	1,358	28
Total benefits and expenses	12,639	4,311	3,643	4,363	322
Adjusted operating income (loss) before income taxes	1,703	739	376	916	(328)

	Six Months Ended June 30, 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	6,063	370	2,191	3,508	(6)
Policy charges and fee income	1,633	700	771	169	(7)
Net investment income	4,255	2,280	686	965	324
Asset management fees, commissions and other income	1,821	1,431	183	330	(123)
Total revenues	13,772	4,781	3,831	4,972	188
Benefits and Expenses (1):					
Insurance and annuity benefits	6,026	861	2,352	2,773	40
Interest credited to policyholders' account balances	1,609	1,270	227	201	(89)
Interest expense	546	117	102	6	321
Deferral of acquisition costs	(1,176)	(375)	(239)	(593)	31
Amortization of acquisition costs	653	157	202	312	(18)
General and administrative expenses	4,056	1,908	818	1,356	(26)
Total benefits and expenses	11,714	3,938	3,462	4,055	259
Adjusted operating income (loss) before income taxes	2,058	843	369	917	(71)

(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 and include charges for income attributable to non controlling interests.

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

	As of June 30, 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	184,073	83,356	25,188	67,622	7,907
Deferred policy acquisition costs	12,768	2,246	4,494	6,170	(142)
Other assets	32,511	9,506	3,649	10,406	8,950
Separate account assets	151,266	119,794	32,591	350	(1,469)
Total assets	380,618	214,902	65,922	84,548	15,246
Liabilities:					
Future policy benefits	69,699	15,835	8,610	44,839	415
Policyholders' account balances	95,680	60,875	14,152	22,574	(1,921)
Debt	22,874	2,524	5,444	450	14,456
Other liabilities	21,816	6,675	2,239	9,659	3,243
Separate account liabilities	151,266	119,794	32,591	350	(1,469)
Total liabilities	361,335	205,703	63,036	77,872	14,724
Attributed Equity:					
Accumulated other comprehensive loss	(3,513)	(1,206)	(750)	(686)	(871)
Other attributed equity	22,194	9,804	3,636	7,327	1,427
Total attributed equity	18,681	8,598	2,886	6,641	556
Noncontrolling Interest	602	601	—	35	(34)
Total Equity	19,283	9,199	2,886	6,676	522
Total liabilities and equity	380,618	214,902	65,922	84,548	15,246

	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 June 30, 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	105	6,381	1,518	8,004	925	5,092	1,518	7,535
Investment related	1,289	9,089	—	10,378	6,245	9,792	—	16,037
Securities business related	2,126	517	—	2,643	1,806	1,550	—	3,356
Specified other businesses	88	559	—	647	778	264	—	1,042
Limited recourse and non-recourse borrowing	35	1,167	—	1,202	338	324	—	662
Total debt - Financial Services Businesses	3,643	17,713	1,518	22,874	10,092	17,022	1,518	28,632
Ratio of long-term and short-term capital debt to capitalization (1)				22.5%				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 June 30, 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	6,982	835	187	8,004	6,837	462	236	7,535
Investment related	5,911	1,233	3,234	10,378	8,819	3,991	3,227	16,037
Securities business related	277	2,261	105	2,643	694	2,430	232	3,356
Specified other businesses	579	68	—	647	290	752	—	1,042
Limited recourse and non-recourse borrowing	—	—	1,202	1,202	—	—	662	662
Total debt - Financial Services Businesses	13,749	4,397	4,728	22,874	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 June 30, 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 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
			Revenues (1):					
436	370	18%	Premiums	151	75	209	175	261
518	700	-26%	Policy charges and fee income	353	331	256	249	269
2,260	2,280	-1%	Net investment income	1,155	1,068	1,101	1,146	1,114
1,836	1,431	28%	Asset management fees, commissions and other income	734	517	191	1,793	43
5,050	4,781	6%	Total revenues	2,393	1,991	1,757	3,363	1,687
			Benefits and Expenses (1):					
899	861	4%	Insurance and annuity benefits	398	593	814	642	257
1,422	1,270	12%	Interest credited to policyholders' account balances	635	679	707	895	527
41	117	-65%	Interest expense	51	54	54	25	16
(366)	(375)	2%	Deferral of acquisition costs	(183)	(166)	(148)	(149)	(217)
527	157	236%	Amortization of acquisition costs	84	140	126	878	(351)
1,788	1,908	-6%	General and administrative expenses	923	873	1,179	897	891
4,311	3,938	9%	Total benefits and expenses	1,908	2,173	2,732	3,188	1,123
739	843	-12%	Adjusted operating income (loss) before income taxes	485	(182)	(975)	175	564

(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 and include charges for income attributable to non controlling interests.

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

	Six Months Ended June 30, 2009				Quarter Ended June 30, 2009			
	Total U.S. Retirement Solutions & Investment Management Division	Individual Annuities	Retirement	Asset Management	Total U.S. Retirement Solutions & Investment Management Division	Individual Annuities	Retirement	Asset Management
Revenues (1):								
Premiums	436	33	403	—	261	16	245	—
Policy charges and fee income	518	420	98	—	269	220	49	—
Net investment income	2,260	525	1,692	43	1,114	251	831	32
Asset management fees, commissions and other income	1,836	1,029	245	562	43	(372)	105	310
Total revenues	5,050	2,007	2,438	605	1,687	115	1,230	342
Benefits and Expenses (1):								
Insurance and annuity benefits	899	125	774	—	257	(179)	436	—
Interest credited to policyholders' account balances	1,422	450	972	—	527	43	484	—
Interest expense	41	7	18	16	16	3	6	7
Deferral of acquisition costs	(366)	(329)	(29)	(8)	(217)	(197)	(15)	(5)
Amortization of acquisition costs	527	507	12	8	(351)	(355)	—	4
General and administrative expenses (2)	1,788	798	433	557	891	368	220	303
Total benefits and expenses	4,311	1,558	2,180	573	1,123	(317)	1,131	309
Adjusted operating income before income taxes	739	449	258	32	564	432	99	33

	Six Months Ended June 30, 2008				Quarter Ended June 30, 2008			
	Total U.S. Retirement Solutions & Investment Management Division	Individual Annuities	Retirement	Asset Management	Total U.S. Retirement Solutions & Investment Management Division	Individual Annuities	Retirement	Asset Management
Revenues (1):								
Premiums	370	32	338	—	151	13	138	—
Policy charges and fee income	700	611	89	—	353	307	46	—
Net investment income	2,280	335	1,778	167	1,155	174	885	96
Asset management fees, commissions and other income	1,431	217	269	945	734	128	138	468
Total revenues	4,781	1,195	2,474	1,112	2,393	622	1,207	564
Benefits and Expenses (1):								
Insurance and annuity benefits	861	129	732	—	398	58	340	—
Interest credited to policyholders' account balances	1,270	214	1,056	—	635	112	523	—
Interest expense	117	29	49	39	51	15	19	17
Deferral of acquisition costs	(375)	(318)	(48)	(9)	(183)	(155)	(23)	(5)
Amortization of acquisition costs	157	139	9	9	84	76	4	4
General and administrative expenses (2)	1,908	733	411	764	923	362	203	358
Total benefits and expenses	3,938	926	2,209	803	1,908	468	1,066	374
Adjusted operating income before income taxes	843	269	265	309	485	154	141	190

(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 and include charges for income attributable to non controlling interests.

(2) General and administrative expenses for Individual Annuities include $146 million for the six months ended June 30, 2009 and $54 million for the six months ended June 30, 2008, $(4) million for the quarter ended June 30, 2009 and $24 million for the quarter ended June 30, 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 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
		SALES AND ACCOUNT VALUES:					
		Variable Annuities:					
60,007	80,330	Beginning total account value	74,977	74,707	67,968	60,007	57,942
5,486	5,569	Sales	2,740	2,507	2,132	2,108	3,378
(2,758)	(4,358)	Surrenders and withdrawals	(2,185)	(1,988)	(1,654)	(1,443)	(1,315)
2,728	1,211	Net sales	555	519	478	665	2,063
(492)	(556)	Benefit payments	(262)	(259)	(242)	(256)	(236)
2,236	655	Net flows	293	260	236	409	1,827
3,297	(5,655)	Change in market value, interest credited, and other	(246)	(6,712)	(7,986)	(2,269)	5,566
(441)	(623)	Policy charges	(317)	(287)	(211)	(205)	(236)
65,099	74,707	Ending total account value	74,707	67,968	60,007	57,942	65,099
		Fixed Annuities:					
3,295	3,488	Beginning total account value	3,440	3,394	3,349	3,295	3,263
96	41	Sales	24	33	47	55	41
(152)	(114)	Surrenders and withdrawals	(61)	(71)	(91)	(77)	(75)
(56)	(73)	Net redemptions	(37)	(38)	(44)	(22)	(34)
(80)	(83)	Benefit payments	(40)	(37)	(40)	(43)	(37)
(136)	(156)	Net flows	(77)	(75)	(84)	(65)	(71)
63	63	Interest credited and other	31	32	32	33	30
(1)	(1)	Policy charges	—	(2)	(2)	—	(1)
3,221	3,394	Ending total account value	3,394	3,349	3,295	3,263	3,221
		SALES BY DISTRIBUTION CHANNEL:					
		Variable and Fixed Annuities (1):					
996	1,319	Insurance Agents	673	589	540	465	531
1,029	647	Wirehouses	324	340	264	344	685
3,557	3,644	Independent Financial Planners (2)	1,767	1,611	1,375	1,354	2,203
5,582	5,610	Total	2,764	2,540	2,179	2,163	3,419
		VARIABLE ANNUITY MINIMUM DEATH BENEFIT GUARANTEES (3):					
		Return of net deposits:					
		Account value	41,272	38,285	34,892	34,313	39,124
		Net amount at risk	1,750	3,572	6,462	7,433	5,138
		Minimum return, anniversary contract value, or maximum contract value:					
		Account value	28,717	25,469	21,494	20,208	22,358
		Net amount at risk	4,032	6,431	9,640	10,503	8,438
		Variable Annuity Account Values with Living Benefit Features (3):					
		Guaranteed minimum accumulation benefits	10,867	10,221	9,891	9,793	9,951
		Guaranteed minimum withdrawal benefits	1,902	1,646	1,326	1,198	1,312
		Guaranteed minimum income benefits	5,958	5,149	4,114	3,750	4,184
		Guaranteed minimum withdrawal & income benefits	18,372	18,153	17,723	18,470	23,249
		Total	37,099	35,169	33,054	33,211	38,696

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

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

Year-to-date 2009	Year-to-date 2008		2008 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
		INDIVIDUAL ANNUITIES:					
		Account Values in General Account (1):					
18,110	8,644	Beginning balance	12,013	12,282	17,051	18,110	18,208
196	124	Premiums and deposits	51	70	81	83	113
(742)	(505)	Surrenders and withdrawals	(254)	(296)	(433)	(386)	(356)
(546)	(381)	Net redemptions	(203)	(226)	(352)	(303)	(243)
(176)	(183)	Benefit payments	(80)	(87)	(92)	(93)	(83)
(722)	(564)	Net flows	(283)	(313)	(444)	(396)	(326)
285	204	Interest credited and other	105	121	159	156	129
(1,317)	3,999	Net transfers (to) from separate account	447	4,963	1,346	338	(1,655)
(1)	(1)	Policy charges	—	(2)	(2)	—	(1)
16,355	12,282	Ending balance	12,282	17,051	18,110	18,208	16,355
		Account Values in Separate Account:					
45,192	75,174	Beginning balance	66,404	65,819	54,266	45,192	42,997
5,386	5,486	Premiums and deposits	2,713	2,470	2,098	2,080	3,306
(2,168)	(3,967)	Surrenders and withdrawals	(1,992)	(1,763)	(1,312)	(1,134)	(1,034)
3,218	1,519	Net sales	721	707	786	946	2,272
(396)	(456)	Benefit payments	(222)	(209)	(190)	(206)	(190)
2,822	1,063	Net flows	499	498	596	740	2,082
3,075	(5,796)	Change in market value, interest credited and other	(320)	(6,801)	(8,113)	(2,392)	5,467
1,317	(3,999)	Net transfers (to) from general account	(447)	(4,963)	(1,346)	(338)	1,655
(441)	(623)	Policy charges	(317)	(287)	(211)	(205)	(236)
51,965	65,819	Ending balance	65,819	54,266	45,192	42,997	51,965

(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 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
		RETIREMENT SEGMENT SALES AND ACCOUNT VALUES					
		Full Service:					
99,738	112,192	Beginning total account value	107,060	106,917	100,463	99,738	102,159
14,379	9,116	Deposits and sales	4,530	3,276	6,549	10,489	3,890
(8,034)	(8,299)	Withdrawals and benefits	(4,366)	(2,883)	(3,869)	(4,231)	(3,803)
4,867	(6,092)	Change in market value, interest credited and interest income	(307)	(6,847)	(12,320)	(3,837)	8,704
—	—	Acquisition (1)	—	—	8,915	—	—
110,950	106,917	Ending total account value	106,917	100,463	99,738	102,159	110,950
6,345	817	Net additions	164	393	2,680	6,258	87
		Stable value account values included above	33,883	34,570	35,346	36,601	36,722
		Institutional Investment Products:					
50,491	51,591	Beginning total account value	51,667	51,513	50,041	50,491	49,030
2,970	3,416	Additions (2)	1,606	1,052	1,270	627	2,343
(3,309)	(3,646)	Withdrawals and benefits	(1,944)	(2,114)	(1,632)	(2,037)	(1,272)
526	802	Change in market value, interest credited and interest income	241	153	1,243	(152)	678
(1,203)	(650)	Other (3)	(57)	(563)	(431)	101	(1,304)
49,475	51,513	Ending total account value	51,513	50,041	50,491	49,030	49,475
(339)	(230)	Net additions (withdrawals)	(338)	(1,062)	(362)	(1,410)	1,071

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

(2) Includes $700 million and $500 million for the three months ended December 31, 2008 and the three and six months ended June 30, 2009, respectively, 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 $115 million, $(20) million and $543 million for the three months ended June 30, 2008, September 30, 2008 and December 31, 2008, respectively; and $(91) million for the six months ended June 30, 2008. "Other" activity also includes $(700) million for the three months ended December 31, 2008 and $(500) million for the three and six months ended June 30, 2009, respectively, related to transfers discussed above in note 2. For the three months ended March 31, 2009 and six months ended June 30, 2009, other includes $1,500 million representing collateralized funding agreements issued to the Federal Home Loan Bank of New York (FHLBNY). Other also includes $(507) million, $(1,015) million and $(1,522) million for the three months ended June 30, 2009, March 31, 2009 and the six months ended June 30, 2009, respectively, 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 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
			Analysis of revenues by type:					
493	569	-13%	Asset management fees	288	289	257	239	254
(47)	240	-120%	Incentive, transaction, principal investing and commercial mortgage revenues	152	(49)	(141)	(35)	(12)
159	303	-48%	Service, distribution and other revenues	124	105	113	59	100
605	1,112	-46%	Total Asset Management segment revenues	564	345	229	263	342
			Analysis of asset management fees by source:					
245	269	-9%	Institutional customers	136	138	133	119	126
118	166	-29%	Retail customers	85	83	58	56	62
130	134	-3%	General account	67	68	66	64	66
493	569	-13%	Total asset management fees	288	289	257	239	254

Supplementary Assets Under Management Information (in billions):

June 30, 2009	Equity	Fixed Income	Real Estate	Total
Institutional customers	40.1	101.7	21.7	163.5
Retail customers	45.2	23.4	1.7	70.3
General account	3.4	171.3	0.9	175.6
Total	88.7	296.4	24.3	409.4

June 30, 2008	Equity	Fixed Income	Real Estate	Total
Institutional customers	55.0	95.3	29.0	179.3
Retail customers	62.8	19.6	2.2	84.6
General account	4.3	169.8	0.9	175.0
Total	122.1	284.7	32.1	438.9

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 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
		Institutional Assets Under Management:					
		Assets gathered by Investment Management & Advisory Services sales force:					
128.5	141.7	Beginning assets under management	140.1	145.8	138.6	128.5	120.6
12.6	17.2	Additions	10.9	6.3	6.1	4.9	7.7
(11.1)	(8.8)	Withdrawals	(4.5)	(4.8)	(5.9)	(4.6)	(6.5)
(0.1)	(3.3)	Change in market value	(0.5)	(8.4)	(10.7)	(7.3)	7.2
(1.0)	(1.1)	Net money market flows	(0.1)	(0.3)	0.9	(0.9)	(0.1)
—	0.1	Other (1)	(0.1)	—	(0.5)	—	—
128.9	145.8	Ending assets under management	145.8	138.6	128.5	120.6	128.9
34.6	33.5	Affiliated institutional assets under management	33.5	32.3	32.7	32.1	34.6
163.5	179.3	Total assets managed for institutional customers at end of period	179.3	170.9	161.2	152.7	163.5
1.5	8.4	Net institutional additions, excluding money market and other activity (1)	6.4	1.5	0.2	0.3	1.2
		Retail Assets Under Management:					
		Assets gathered by Investment Management & Advisory Services sales force:					
33.4	50.9	Beginning assets under management	48.2	50.7	43.4	33.4	33.5
8.1	7.3	Additions	3.8	4.4	3.4	3.5	4.6
(6.0)	(5.4)	Withdrawals	(2.9)	(4.3)	(5.0)	(3.3)	(2.7)
3.8	(2.1)	Change in market value	1.9	(7.5)	(8.4)	(0.7)	4.5
0.3	—	Net money market flows	(0.3)	0.1	—	0.7	(0.4)
—	—	Other	—	—	—	—	—
39.5	50.7	Ending assets under management	50.7	43.4	33.4	33.5	39.5
30.8	33.9	Affiliated retail assets under management	33.9	32.0	28.2	27.8	30.8
70.3	84.6	Total assets managed for retail customers at end of period	84.6	75.4	61.6	61.3	70.3
2.1	1.9	Net retail additions (withdrawals), excluding money market activity	0.9	0.1	(1.6)	0.2	1.9

(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 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
			Revenues (1):					
2,346	2,191	7%	Premiums	1,076	1,099	1,091	1,190	1,156
805	771	4%	Policy charges and fee income	380	313	441	393	412
703	686	2%	Net investment income	343	353	357	353	350
165	183	-10%	Asset management fees, commissions and other income	95	149	80	77	88
4,019	3,831	5%	Total revenues	1,894	1,914	1,969	2,013	2,006
			Benefits and Expenses (1):					
2,498	2,352	6%	Insurance and annuity benefits	1,168	1,136	1,210	1,276	1,222
238	227	5%	Interest credited to policyholders' account balances	113	119	117	119	119
98	102	-4%	Interest expense	50	51	62	51	47
(261)	(239)	-9%	Deferral of acquisition costs	(122)	(121)	(126)	(125)	(136)
210	202	4%	Amortization of acquisition costs	87	(37)	222	136	74
860	818	5%	General and administrative expenses	415	427	406	423	437
3,643	3,462	5%	Total benefits and expenses	1,711	1,575	1,891	1,880	1,763
376	369	2%	Adjusted operating income before income taxes	183	339	78	133	243

(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)

	Six Months Ended June 30, 2009			Quarter Ended June 30, 2009		
	Total U.S. Individual Life & Group Insurance Division	Individual Life	Group Insurance	Total U.S. Individual Life & Group Insurance Division	Individual Life	Group Insurance
Revenues (1):						
Premiums	2,346	330	2,016	1,156	170	986
Policy charges and fee income	805	554	251	412	278	134
Net investment income	703	397	306	350	200	150
Asset management fees, commissions and other income	165	102	63	88	55	33
Total revenues	4,019	1,383	2,636	2,006	703	1,303
Benefits and Expenses (1):						
Insurance and annuity benefits	2,498	522	1,976	1,222	250	972
Interest credited to policyholders' account balances	238	127	111	119	65	54
Interest expense	98	98	—	47	47	—
Deferral of acquisition costs	(261)	(243)	(18)	(136)	(128)	(8)
Amortization of acquisition costs	210	197	13	74	69	5
General and administrative expenses	860	504	356	437	262	175
Total benefits and expenses	3,643	1,205	2,438	1,763	565	1,198
Adjusted operating income before income taxes	376	178	198	243	138	105

	Six Months Ended June 30, 2008			Quarter Ended June 30, 2008		
	Total U.S. Individual Life & Group Insurance Division	Individual Life	Group Insurance	Total U.S. Individual Life & Group Insurance Division	Individual Life	Group Insurance
Revenues (1):						
Premiums	2,191	296	1,895	1,076	148	928
Policy charges and fee income	771	558	213	380	273	107
Net investment income	686	362	324	343	182	161
Asset management fees, commissions and other income	183	140	43	95	73	22
Total revenues	3,831	1,356	2,475	1,894	676	1,218
Benefits and Expenses (1):						
Insurance and annuity benefits	2,352	488	1,864	1,168	249	919
Interest credited to policyholders' account balances	227	112	115	113	57	56
Interest expense	102	101	1	50	49	1
Deferral of acquisition costs	(239)	(221)	(18)	(122)	(113)	(9)
Amortization of acquisition costs	202	194	8	87	83	4
General and administrative expenses	818	483	335	415	248	167
Total benefits and expenses	3,462	1,157	2,305	1,711	573	1,138
Adjusted operating income before income taxes	369	199	170	183	103	80

(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 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
		ANNUALIZED NEW BUSINESS PREMIUMS:					
		Excluding corporate-owned life insurance:					
9	21	Variable life	10	8	10	4	5
60	39	Universal life	22	21	23	28	32
113	103	Term life	52	53	53	52	61
182	163	Total excluding corporate-owned life insurance	84	82	86	84	98
—	—	Corporate-owned life insurance	—	—	—	—	—
182	163	Total	84	82	86	84	98
		ANNUALIZED NEW BUSINESS PREMIUMS BY DISTRIBUTION CHANNEL:					
		Excluding corporate-owned life insurance:					
46	57	Prudential Agents	29	26	26	22	24
136	106	Third party distribution	55	56	60	62	74
—	—	Corporate-owned life insurance	—	—	—	—	—
182	163	Total	84	82	86	84	98
		ACCOUNT VALUE ACTIVITY:					
		Policyholders' Account Balances (1):					
7,397	6,582	Beginning balance	6,676	6,948	7,212	7,397	7,691
1,044	779	Premiums and deposits	409	372	462	570	474
(518)	(449)	Surrenders and withdrawals	(211)	(248)	(303)	(278)	(240)
526	330	Net sales	198	124	159	292	234
(66)	(77)	Benefit payments	(38)	(41)	(41)	(34)	(32)
460	253	Net flows	160	83	118	258	202
17	139	Interest credited and other	130	180	78	81	(64)
130	122	Net transfers from separate account	59	75	70	45	85
(180)	(148)	Policy charges	(77)	(74)	(81)	(90)	(90)
7,824	6,948	Ending balance	6,948	7,212	7,397	7,691	7,824
		Separate Account Liabilities:					
12,848	18,585	Beginning balance	17,276	17,387	15,476	12,848	12,110
576	615	Premiums and deposits	311	386	409	315	261
(544)	(377)	Surrenders and withdrawals	(215)	(173)	(277)	(328)	(216)
32	238	Net sales (redemptions)	96	213	132	(13)	45
(20)	(32)	Benefit payments	(22)	(6)	17	(2)	(18)
12	206	Net flows	74	207	149	(15)	27
1,074	(895)	Change in market value, interest credited and other	288	(1,849)	(2,524)	(500)	1,574
(130)	(122)	Net transfers to general account	(59)	(75)	(70)	(45)	(85)
(354)	(387)	Policy charges	(192)	(194)	(183)	(178)	(176)
13,450	17,387	Ending balance	17,387	15,476	12,848	12,110	13,450
		FACE AMOUNT IN FORCE (2):					
		Variable life	134,691	131,608	127,503	124,600	123,419
		Universal life	27,091	27,999	29,070	30,537	32,315
		Term life	345,467	359,887	373,927	386,218	402,459
		Total	507,249	519,494	530,500	541,355	558,193

(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 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
		Individual Life Insurance:					
		Policy Surrender Experience:					
493	374	Cash value of surrenders	196	188	240	256	236
5.1%	3.2%	Cash value of surrenders as a percentage of mean future policy benefits, policyholders' account balances, and separate account balances	3.5%	3.5%	4.8%	5.5%	5.0%
		Death benefits per $1,000 of in force (1):					
4.26	3.83	Variable and universal life	4.14	3.23	3.58	4.71	3.83
1.15	1.56	Term life	1.53	1.46	0.97	1.14	1.10
2.86	2.98	Total, Individual Life Insurance	3.08	2.51	2.43	3.14	2.54

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

Prudential

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 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
		GROUP INSURANCE ANNUALIZED NEW BUSINESS PREMIUMS:					
245	142	Group life	30	70	76	210	35
160	131	Group disability (1)	17	47	26	134	26
405	273	Total	47	117	102	344	61
		Future Policy Benefits (2):					
		Group life	2,046	2,015	2,227	2,169	2,176
		Group disability (1)	810	865	898	1,015	1,059
		Total	2,856	2,880	3,125	3,184	3,235
		Policyholders' Account Balances (2):					
		Group life	6,143	5,785	5,958	6,033	6,160
		Group disability (1)	149	152	172	159	168
		Total	6,292	5,937	6,130	6,192	6,328
		Separate Account Liabilities (2):					
		Group life	17,941	19,943	19,429	20,315	19,141
		Group disability (1)	—	—	—	—	—
		Total	17,941	19,943	19,429	20,315	19,141
		Group Life Insurance:					
1,835	1,861	Gross premiums, policy charges and fee income (3)	912	840	922	920	915
1,706	1,603	Earned premiums, policy charges and fee income	810	789	840	857	849
87.6%	88.3%	Benefits ratio	89.4%	88.1%	89.9%	88.0%	87.3%
8.8%	8.2%	Administrative operating expense ratio	8.2%	9.4%	8.7%	8.8%	8.7%
		Persistency ratio	94.0%	93.6%	93.3%	95.8%	95.6%
		Group Disability Insurance (1):					
568	526	Gross premiums, policy charges and fee income (3)	238	265	241	297	271
561	505	Earned premiums, policy charges and fee income	225	259	231	290	271
85.9%	88.9%	Benefits ratio	86.2%	81.5%	90.0%	86.2%	85.6%
18.0%	19.6%	Administrative operating expense ratio	22.3%	19.3%	20.8%	17.9%	18.1%
		Persistency ratio	90.4%	86.7%	85.6%	94.5%	93.6%

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

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

Year-to-date 2009	Year-to-date 2008		2008 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
		INDIVIDUAL ANNUITIES:					
2,329	1,976	Beginning balance	2,093	2,199	2,294	2,329	1,580
329	318	Capitalization	155	149	130	132	197
(507)	(139)	Amortization - operating results	(76)	(121)	(119)	(862)	355
13	10	Amortization - realized investment gains and losses	(5)	10	(10)	2	11
(221)	34	Impact of unrealized (gains) or losses on AFS securities	32	57	34	(21)	(200)
1,943	2,199	Ending balance	2,199	2,294	2,329	1,580	1,943
		INDIVIDUAL LIFE INSURANCE:					
4,226	3,855	Beginning balance	3,805	3,963	4,207	4,226	4,270
243	221	Capitalization	113	111	113	115	128
(197)	(194)	Amortization - operating results	(83)	40	(218)	(128)	(69)
—	—	Amortization - realized investment gains and losses	—	—	—	—	—
(130)	81	Impact of unrealized (gains) or losses on AFS securities	128	93	124	57	(187)
4,142	3,963	Ending balance	3,963	4,207	4,226	4,270	4,142
		GROUP INSURANCE:					
347	321	Beginning balance	326	331	338	347	349
18	18	Capitalization	9	10	13	10	8
(13)	(8)	Amortization - operating results	(4)	(3)	(4)	(8)	(5)
—	—	Amortization - realized investment gains and losses	—	—	—	—	—
—	—	Impact of unrealized losses on AFS securities	—	—	—	—	—
352	331	Ending balance	331	338	347	349	352

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

Year-to-date 2009	Year-to-date 2008	% Change		2008 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
			Revenues (1):					
3,810	3,508	9%	Premiums	1,736	1,627	1,698	1,899	1,911
190	169	12%	Policy charges and fee income	82	83	90	99	91
1,043	965	8%	Net investment income	504	514	527	534	509
236	330	-28%	Asset management fees, commissions and other income	155	153	(217)	106	130
5,279	4,972	6%	Total revenues	2,477	2,377	2,098	2,638	2,641
			Benefits and Expenses (1):					
2,966	2,773	7%	Insurance and annuity benefits	1,360	1,279	1,325	1,501	1,465
229	201	14%	Interest credited to policyholders' account balances	101	106	109	119	110
2	6	-67%	Interest expense	4	1	2	1	1
(608)	(593)	-3%	Deferral of acquisition costs	(299)	(281)	(299)	(309)	(299)
416	312	33%	Amortization of acquisition costs	152	144	182	202	214
1,358	1,356	0%	General and administrative expenses	680	631	778	689	669
4,363	4,055	8%	Total benefits and expenses	1,998	1,880	2,097	2,203	2,160
916	917	0%	Adjusted operating income before income taxes	479	497	1	435	481

(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 and include charges for income attributable to non controlling interests.

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

	Six Months Ended June 30, 2009				Quarter Ended June 30, 2009			
	Total International Insurance & Investments Division	International Insurance - Life Planner Operations	International Insurance - Gibraltar Life	International Investments	Total International Insurance & Investments Division	International Insurance - Life Planner Operations	International Insurance - Gibraltar Life	International Investments
Revenues (1):								
Premiums	3,810	2,484	1,326	—	1,911	1,199	712	—
Policy charges and fee income	190	150	40	—	91	72	19	—
Net investment income	1,043	505	527	11	509	251	255	3
Asset management fees, commissions and other income	236	42	(4)	198	130	17	8	105
Total revenues	5,279	3,181	1,889	209	2,641	1,539	994	108
Benefits and Expenses (1):								
Insurance and annuity benefits	2,966	1,918	1,048	—	1,465	900	565	—
Interest credited to policyholders' account balances	229	88	141	—	110	40	70	—
Interest expense	2	2	—	—	1	(1)	2	—
Deferral of acquisition costs	(608)	(420)	(188)	—	(299)	(201)	(98)	—
Amortization of acquisition costs	416	285	131	—	214	147	67	—
General and administrative expenses	1,358	699	476	183	669	339	238	92
Total benefits and expenses	4,363	2,572	1,608	183	2,160	1,224	844	92
Adjusted operating income before income taxes	916	609	281	26	481	315	150	16

	Six Months Ended June 30, 2008				Quarter Ended June 30, 2008			
	Total International Insurance & Investments Division	International Insurance - Life Planner Operations	International Insurance - Gibraltar Life	International Investments	Total International Insurance & Investments Division	International Insurance - Life Planner Operations	International Insurance - Gibraltar Life	International Investments
Revenues (1):								
Premiums	3,508	2,423	1,085	—	1,736	1,161	575	—
Policy charges and fee income	169	134	35	—	82	64	18	—
Net investment income	965	466	474	25	504	234	258	12
Asset management fees, commissions and other income	330	43	(6)	293	155	30	(11)	136
Total revenues	4,972	3,066	1,588	318	2,477	1,489	840	148
Benefits and Expenses (1):								
Insurance and annuity benefits	2,773	1,917	856	—	1,360	916	444	—
Interest credited to policyholders' account balances	201	83	118	—	101	40	61	—
Interest expense	6	7	(4)	3	4	4	(2)	2
Deferral of acquisition costs	(593)	(424)	(169)	—	(299)	(203)	(96)	—
Amortization of acquisition costs	312	226	86	—	152	105	47	—
General and administrative expenses	1,356	686	406	264	680	341	219	120
Total benefits and expenses	4,055	2,495	1,293	267	1,998	1,203	673	122
Adjusted operating income before income taxes	917	571	295	51	479	286	167	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 and include charges for income attributable to non controlling interests.

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

Year-to-date 2009	Year-to-date 2008		2008 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
		Japanese Yen Basis Results:					
		Revenues (1):					
¥239,625	¥225,207	Japanese insurance operations excluding Gibraltar Life	¥107,786	¥110,522	¥110,212	¥124,975	¥114,650
184,090	168,214	Gibraltar Life	86,092	84,570	83,070	84,867	99,223
423,715	393,421	Total revenues, Japan, yen basis	193,878	195,092	193,282	209,842	213,873
		Benefits and Expenses (1):					
189,616	176,024	Japanese insurance operations excluding Gibraltar Life	83,323	83,006	86,952	101,197	88,419
153,124	136,749	Gibraltar Life	68,623	65,640	66,538	70,551	82,573
342,740	312,773	Total benefits and expenses, Japan, yen basis	151,946	148,646	153,490	171,748	170,992
		Adjusted operating income (2):					
50,009	49,183	Japanese insurance operations excluding Gibraltar Life	24,463	27,516	23,260	23,778	26,231
30,966	31,465	Gibraltar Life	17,469	18,930	16,532	14,316	16,650
¥ 80,975	¥ 80,648	Total adjusted operating income, Japan, yen basis	¥ 41,932	¥ 46,446	¥ 39,792	¥ 38,094	¥ 42,881
		U.S. Dollar adjusted operating income (3):					
$ 494	$ 467	Japanese insurance operations excluding Gibraltar Life	$ 236	$ 252	$ 224	$ 237	$ 257
281	295	Gibraltar Life	167	167	160	131	150
775	762	Total adjusted operating income, Japan, U.S. dollar basis	403	419	384	368	407
115	104	All other countries (4)	50	41	37	57	58
$ 890	$ 866	Total adjusted operating income, International Insurance segment, U.S. dollar basis	$ 453	$ 460	$ 421	$ 425	$ 465

(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 and include charges for income attributable to non controlling interests.
(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 2Q	2008 3Q	2008 4Q	2009 1Q	2009 2Q
		INTERNATIONAL INSURANCE OPERATING DATA:					
		Actual exchange rate basis (1):					
		Net premiums, policy charges and fee income:					
2,047	1,812	Japan, excluding Gibraltar Life	859	839	924	1,084	963
1,366	1,120	Gibraltar Life	593	515	559	635	731
587	745	All other countries	366	356	305	279	308
4,000	3,677	Total	1,818	1,710	1,788	1,998	2,002
		Annualized new business premiums:					
295	288	Japan, excluding Gibraltar Life	125	120	123	173	122
260	242	Gibraltar Life	148	111	101	113	147
106	135	All other countries	63	55	54	47	59
661	665	Total	336	286	278	333	328
		Annualized new business premiums by distribution channel:					
401	423	Life Planners	188	175	177	220	181
214	215	Gibraltar Life Advisors	127	96	89	92	122
46	27	Banks	21	15	12	21	25
661	665	Total	336	286	278	333	328
		Constant exchange rate basis (2):					
		Net premiums, policy charges and fee income:					
1,901	1,794	Japan, excluding Gibraltar Life	850	850	860	995	906
1,219	1,117	Gibraltar Life	575	522	534	546	673
767	749	All other countries	374	380	400	383	384
3,887	3,660	Total	1,799	1,752	1,794	1,924	1,963
		Annualized new business premiums:					
275	285	Japan, excluding Gibraltar Life	124	122	115	161	114
244	243	Gibraltar Life	147	112	99	105	139
133	136	All other countries	64	56	68	63	70
652	664	Total	335	290	282	329	323
		Annualized new business premiums by distribution channel:					
408	421	Life Planners	188	178	183	224	184
199	215	Gibraltar Life Advisors	125	97	87	84	115
45	28	Banks	22	15	12	21	24
652	664	Total	335	290	282	329	323

(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			2009	
	2Q	3Q	4Q	1Q	2Q
Face amount of individual policies in force at end of period (in billions) (1)(2):					
(Constant exchange rate basis)					
Japan, excluding Gibraltar Life	244	246	248	250	251
Gibraltar Life	184	184	183	182	180
All other countries	108	108	108	108	109
Total	536	538	539	540	540
Number of individual policies in force at end of period (in thousands) (2):					
Japan, excluding Gibraltar Life	2,258	2,288	2,313	2,353	2,373
Gibraltar Life	3,782	3,788	3,796	3,787	3,760
All other countries	1,323	1,333	1,348	1,359	1,375
Total	7,363	7,409	7,457	7,499	7,508
International life insurance policy persistency:					
Excluding Gibraltar Life:					
13 months	92.0%	92.1%	92.6%	92.2%	91.8%
25 months	85.3%	85.5%	86.2%	85.0%	84.7%
Gibraltar Life:					
13 months	90.8%	91.1%	91.1%	91.2%	91.2%
25 months	86.4%	85.3%	84.0%	83.4%	83.1%
Number of Life Planners at end of period:					
Japan	3,079	3,084	3,071	3,078	2,987
All other countries	3,100	3,183	3,294	3,319	3,388
Total life planners	6,179	6,267	6,365	6,397	6,375
Gibraltar Life Advisors	5,899	6,057	6,330	6,170	6,376

(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)

	June 30, 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	126,341	27,863	98,478	55.9%	126,149	27,424	98,725	57.5%
Public, held to maturity, at amortized cost	4,023	—	4,023	2.3%	3,002	—	3,002	1.7%
Private, available for sale, at fair value	30,819	11,966	18,853	10.7%	30,047	11,479	18,568	10.8%
Private, held to maturity, at amortized cost	912	—	912	0.5%	806	—	806	0.5%
Trading account assets supporting insurance liabilities, at fair value	14,766	—	14,766	8.4%	13,875	—	13,875	8.1%
Other trading account assets, at fair value (1)	2,163	165	1,998	1.1%	848	120	728	0.4%
Equity securities, available for sale, at fair value	5,904	2,513	3,391	1.9%	6,059	2,400	3,659	2.1%
Commercial loans	30,675	8,733	21,942	12.5%	30,840	8,748	22,092	12.9%
Policy loans	9,856	5,443	4,413	2.5%	9,703	5,423	4,280	2.5%
Other long-term investments (2)	4,327	1,546	2,781	1.6%	4,664	1,629	3,035	1.8%
Short-term investments (3)	5,951	1,347	4,604	2.6%	4,358	1,484	2,874	1.7%
Subtotal (4)	235,737	59,576	176,161	100.0%	230,351	58,707	171,644	100.0%
Invested assets of other entities and operations (5)	7,912	—	7,912		11,674	—	11,674	
Total investments	243,649	59,576	184,073		242,025	58,707	183,318	

Fixed Maturities by Credit Quality (4):

		June 30, 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	84,551	2,858	2,825	84,584	82.5%	85,474	4,228	4,425	85,277	83.8%
2	Baa	14,209	272	1,383	13,098	12.8%	15,573	163	2,893	12,843	12.6%
Subtotal Investment Grade		98,760	3,130	4,208	97,682	95.3%	101,047	4,391	7,318	98,120	96.4%
3	Ba	3,534	24	767	2,791	2.7%	3,009	16	800	2,225	2.2%
4	B	1,693	7	465	1,235	1.2%	1,639	2	565	1,076	1.1%
5	C and lower	861	8	360	509	0.5%	379	14	123	270	0.3%
6	In or near default	466	15	197	284	0.3%	36	4	4	36	0.0%
Subtotal Below Investment Grade		6,554	54	1,789	4,819	4.7%	5,063	36	1,492	3,607	3.6%
Total		105,314	3,184	5,997	102,501	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	6,263	100	261	6,102	30.9%	6,284	112	408	5,988	30.9%
2	Baa	10,962	121	1,011	10,072	51.0%	11,341	92	1,310	10,123	52.2%
Subtotal Investment Grade		17,225	221	1,272	16,174	81.9%	17,625	204	1,718	16,111	83.1%
3	Ba	2,477	23	288	2,212	11.1%	2,405	24	381	2,048	10.5%
4	B	944	9	146	807	4.1%	1,037	14	244	807	4.2%
5	C and lower	385	5	69	321	1.6%	283	7	59	231	1.2%
6	In or near default	276	12	34	254	1.3%	232	8	39	201	1.0%
Subtotal Below Investment Grade		4,082	49	537	3,594	18.1%	3,957	53	723	3,287	16.9%
Total		21,307	270	1,809	19,768	100.0%	21,582	257	2,441	19,398	100.0%

(1) Other trading account assets, at fair value includes $1,250 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 June 30, 2009 and December 31, 2008, respectively, 130 securities with amortized cost of $4,568 million (fair value $4,643 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)

	June 30, 2009		December 31, 2008	
	Amount	% of Total	Amount	% of Total
Japanese Insurance Operations:				
Fixed maturities:				
Public, available for sale, at fair value	43,374	71.0%	42,223	70.6%
Public, held to maturity, at amortized cost	4,023	6.6%	3,002	5.0%
Private, available for sale, at fair value	2,863	4.7%	2,803	4.7%
Private, held to maturity, at amortized cost	912	1.5%	806	1.3%
Trading account assets supporting insurance liabilities, at fair value	1,138	1.9%	1,077	1.8%
Other trading account assets, at fair value	433	0.7%	519	0.9%
Equity securities, available for sale, at fair value	1,441	2.4%	2,071	3.5%
Commercial loans	3,561	5.8%	3,373	5.6%
Policy loans	1,614	2.6%	1,547	2.6%
Other long-term investments (1)	1,352	2.2%	2,143	3.6%
Short-term investments	337	0.6%	266	0.4%
Total	61,048	100.0%	59,830	100.0%

	June 30, 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	55,104	47.9%	56,502	50.5%
Public, held to maturity, at amortized cost	—	0.0%	—	0.0%
Private, available for sale, at fair value	15,990	13.9%	15,765	14.1%
Private, held to maturity, at amortized cost	—	0.0%	—	0.0%
Trading account assets supporting insurance liabilities, at fair value	13,628	11.8%	12,798	11.5%
Other trading account assets, at fair value	1,565	1.4%	209	0.2%
Equity securities, available for sale, at fair value	1,950	1.7%	1,588	1.4%
Commercial loans	18,381	16.0%	18,719	16.7%
Policy loans	2,799	2.4%	2,733	2.5%
Other long-term investments (1)	1,429	1.2%	892	0.8%
Short-term investments	4,267	3.7%	2,608	2.3%
Total	115,113	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)

	Quarter Ended June 30					
	2009			2008		
	Investment Income		Realized Gains /	Investment Income		Realized Gains /
	Yield (3)	Amount	(Losses)	Yield (3)	Amount	(Losses)
Financial Services Businesses (1):						
Fixed maturities	4.51%	1,405	(309)	4.74%	1,398	(483)
Equity securities	6.30%	56	(114)	5.09%	60	(96)
Commercial loans	5.63%	241	(88)	5.94%	247	(5)
Policy loans	5.11%	55	—	5.02%	52	—
Short-term investments and cash equivalents	0.46%	14	—	2.52%	67	—
Other investments	3.03%	34	(798)	3.23%	27	79
Gross investment income before investment expenses	4.34%	1,805	(1,309)	4.74%	1,851	(505)
Investment expenses	-0.15%	(49)	—	-0.16%	(80)	—
Subtotal	4.19%	1,756	(1,309)	4.58%	1,771	(505)
Investment results of other entities and operations (2)		301	(109)		384	(45)
Less, investment income relating to divested businesses		(4)			(10)	
Total		2,053	(1,418)		2,145	(550)

	Six Months Ended June 30					
	2009			2008		
	Investment Income		Realized Gains /	Investment Income		Realized Gains /
	Yield (3)	Amount	(Losses)	Yield (3)	Amount	(Losses)
Financial Services Businesses (1):						
Fixed maturities	4.60%	2,861	(545)	4.82%	2,778	(868)
Equity securities	6.00%	113	(379)	4.62%	106	(152)
Commercial loans	5.67%	483	(137)	5.95%	478	(4)
Policy loans	5.06%	108	—	5.08%	103	—
Short-term investments and cash equivalents	0.71%	43	—	3.24%	166	—
Other investments	3.79%	80	377	3.98%	63	(266)
Gross investment income before investment expenses	4.46%	3,688	(684)	4.83%	3,694	(1,290)
Investment expenses	-0.16%	(103)	—	-0.15%	(160)	—
Subtotal	4.30%	3,585	(684)	4.68%	3,534	(1,290)
Investment results of other entities and operations (2)		540	(154)		741	(62)
Less, investment income relating to divested businesses		(8)			(20)	
Total		4,117	(838)		4,255	(1,352)

(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)

	Quarter Ended June 30					
	2009			2008		
	Investment Income		Realized Gains /	Investment Income		Realized Gains /
	Yield (1)	Amount	(Losses)	Yield (1)	Amount	(Losses)
Japanese Insurance Operations:						
Fixed maturities	2.88%	364	(82)	3.00%	341	(59)
Equity securities	2.47%	11	(104)	2.75%	18	(104)
Commercial loans	4.80%	41	(9)	4.81%	37	(1)
Policy loans	3.78%	14	—	3.71%	12	—
Short-term investments and cash equivalents	0.13%	1	—	4.22%	9	—
Other investments	4.88%	24	(143)	8.36%	29	(120)
Gross investment income before investment expenses	2.97%	455	(338)	3.26%	446	(284)
Investment expenses	-0.15%	(22)	—	-0.20%	(32)	—
Total	2.82%	433	(338)	3.06%	414	(284)

	Six Months Ended June 30					
	2009			2008		
	Investment Income		Realized Gains /	Investment Income		Realized Gains /
	Yield (1)	Amount	(Losses)	Yield (1)	Amount	(Losses)
Japanese Insurance Operations:						
Fixed maturities	2.96%	743	(97)	2.93%	641	(108)
Equity securities	2.82%	29	(278)	2.52%	32	(155)
Commercial loans	4.85%	82	(7)	4.72%	70	2
Policy loans	3.84%	29	—	3.84%	24	—
Short-term investments and cash equivalents	0.55%	5	—	2.94%	12	—
Other investments	4.66%	50	(365)	8.28%	52	(142)
Gross investment income before investment expenses	3.07%	938	(747)	3.16%	831	(403)
Investment expenses	-0.17%	(51)	—	-0.19%	(55)	—
Total	2.90%	887	(747)	2.97%	776	(403)

(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)

	Quarter Ended June 30					
	2009			2008		
	Investment Income		Realized Gains /	Investment Income		Realized Gains /
	Yield (2)	Amount	(Losses)	Yield (2)	Amount	(Losses)
Financial Services Businesses excluding Japanese Insurance Operations (1):						
Fixed maturities	5.62%	1,041	(227)	5.83%	1,057	(424)
Equity securities	10.49%	45	(10)	8.09%	42	8
Commercial loans	5.84%	200	(79)	6.20%	210	(4)
Policy loans	5.86%	41	—	5.59%	40	—
Short-term investments and cash equivalents	0.53%	13	—	2.32%	58	—
Other investments	1.67%	10	(655)	-0.29%	(2)	199
Gross investment income before investment expenses	5.14%	1,350	(971)	5.54%	1,405	(221)
Investment expenses	-0.15%	(27)	—	-0.13%	(48)	—
Total	4.99%	1,323	(971)	5.41%	1,357	(221)

	Six Months Ended June 30					
	2009			2008		
	Investment Income		Realized Gains /	Investment Income		Realized Gains /
	Yield (2)	Amount	(Losses)	Yield (2)	Amount	(Losses)
Financial Services Businesses excluding Japanese Insurance Operations (1):						
Fixed maturities	5.71%	2,118	(448)	5.98%	2,137	(760)
Equity securities	9.85%	84	(101)	7.29%	74	3
Commercial loans	5.87%	401	(130)	6.23%	408	(6)
Policy loans	5.75%	79	—	5.62%	79	—
Short-term investments and cash equivalents	0.74%	38	—	3.27%	154	—
Other investments	2.89%	30	742	1.24%	11	(124)
Gross investment income before investment expenses	5.28%	2,750	63	5.73%	2,863	(887)
Investment expenses	-0.15%	(52)	—	-0.13%	(105)	—
Total	5.13%	2,698	63	5.60%	2,758	(887)

(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	2009 1Q
		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)	175
774	722	U.S. Individual Life and Group Insurance Division	152	210	351	195	186	183	339	78	133
1,570	1,425	International Insurance and Investments Division	473	453	537	391	438	479	497	1	435
(14)	179	Corporate and other operations	(17)	(27)	(24)	(64)	(51)	(20)	(38)	(288)	(166)
3,976	3,757	Total pre-tax adjusted operating income (loss)	1,097	1,121	1,295	1,022	931	1,127	616	(1,184)	577
1,078	1,139	Income taxes, applicable to adjusted operating income	314	322	378	244	240	282	186	(305)	141
2,898	2,618	**Financial Services Businesses after-tax adjusted operating income (loss)**	783	799	917	778	691	845	430	(879)	436
		Reconciling items:									
83	549	Realized investment losses, net, and related charges and adjustments	141	37	(179)	(91)	(678)	(486)	(547)	(511)	(666)
35	(33)	Investment gains (losses) on trading account assets supporting insurance liabilities, net	82	(108)	36	(10)	(262)	(123)	(534)	(815)	145
11	(44)	Change in experience-rated contractholder liabilities due to asset value changes	(62)	72	(6)	9	200	94	388	481	(45)
151	(232)	Divested businesses	127	90	58	(1)	(67)	10	(219)	(230)	(32)
(297)	(193)	Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	(91)	(96)	(82)	(68)	(36)	(32)	213	509	3
(17)	47	Total reconciling items, before income taxes	197	(5)	(173)	(161)	(843)	(537)	(699)	(566)	(595)
27	(499)	Income taxes, not applicable to adjusted operating income	56	(9)	(67)	(118)	(199)	(245)	(280)	(159)	(148)
(44)	546	Total reconciling items, after income taxes	141	4	(106)	(43)	(644)	(292)	(419)	(407)	(447)
2,854	3,164	**Income (loss) from continuing operations (after-tax) of Financial Services Businesses before equity in earnings of operating joint ventures**	924	803	811	735	47	553	11	(1,286)	(11)
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)	5
3,037	3,285	**Income (loss) from continuing operations attributable to Prudential Financial, Inc.**	972	852	856	772	66	569	(123)	(1,670)	(6)
25	21	Earnings attributable to noncontrolling interests	29	7	22	9	24	8	5	(1)	(11)
3,062	3,306	**Income (loss) from continuing operations (after-tax) of Financial Services Businesses**	1,001	859	878	781	90	577	(118)	(1,671)	(17)
71	(71)	Income (loss) from discontinued operations, net of taxes	38	(29)	(4)	13	2	(3)	5	14	1
3,133	3,235	**Net income (loss) of Financial Services Businesses**	1,039	830	874	794	92	574	(113)	(1,657)	(16)
25	21	Less: Income (loss) attributable to noncontrolling interests	29	7	22	9	24	8	5	(1)	(11)
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)	(5)
14.17%	13.23%	Operating Return on Average Equity (based on adjusted operating income)	14.84%	14.96%	16.89%	14.24%	12.34%	15.32%	8.02%	-16.60%	8.89%
		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)	(5)
284	321	Net income (loss) of Closed Block Business attributable to Prudential Financial, Inc.	95	11	7	79	(8)	15	(58)	74	19
3,392	3,535	Consolidated net income (loss) attributable to Prudential Financial, Inc.	1,105	834	859	864	60	581	(176)	(1,582)	14

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	2009 1Q
		Earnings per share of Common Stock (diluted) (1):									
5.98	5.16	Financial Services Businesses after-tax adjusted operating income (loss)	1.67	1.72	2.00	1.72	1.56	1.96	1.02	(2.04)	1.05
		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)	(1.57)
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)	0.34
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	(0.11)
0.31	(0.45)	Divested businesses	0.27	0.19	0.12	—	(0.15)	0.02	(0.51)	(0.55)	(0.08)
—	(0.01)	Difference in earnings allocated to participating unvested share-based payment awards	—	—	—	—	0.01	—	—	—	0.01
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)	(1.41)
0.28	(0.82)	Income taxes, not applicable to adjusted operating income	0.22	0.08	(0.07)	(0.18)	(0.41)	(0.52)	(0.84)	(0.67)	(0.37)
0.29	1.28	Total reconciling items, after income taxes	0.39	0.11	(0.13)	(0.02)	(1.39)	(0.63)	(1.29)	(1.88)	(1.04)
6.27	6.44	**Income (loss) from continuing operations (after-tax) of Financial Services Businesses attributable to Prudential Financial, Inc.**	2.06	1.83	1.87	1.70	0.17	1.33	(0.27)	(3.92)	0.01
0.14	(0.14)	Income (loss) from discontinued operations, net of taxes	0.08	(0.07)	(0.01)	0.03	0.01	(0.01)	0.02	0.03	—
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)	0.01
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	422.1
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	423.2
68	82	Direct equity adjustments for earnings per share calculation	15	14	13	11	12	14	10	19	11
		Earnings allocated to participating unvested share-based payment awards for earnings per share calculation									
25	25	Financial Services Businesses after-tax adjusted operating income	6	5	6	5	4	5	3	1	4
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 the weighted average basic common shares for the three months ended December 31, 2008 as all potential common shares are anti-diutive due to the adjusted operating loss available to holders of common stock after direct equity adjustment.

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

Years ended December 31 2006	2005		2007 1Q	2007 2Q	2007 3Q	2007 4Q	2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
		Revenues (1):									
10,287	10,128	Premiums	2,720	2,684	2,673	2,717	3,102	2,961	2,798	2,997	3,261
2,649	2,529	Policy charges and fee income	784	783	727	828	824	809	709	781	734
7,597	6,845	Net investment income	1,994	2,033	2,068	2,105	2,110	2,145	2,076	2,099	2,064
3,647	3,124	Asset management fees, commissions and other income	1,032	1,072	1,199	1,045	882	939	770	10	1,945
24,180	22,626	Total revenues	6,530	6,572	6,667	6,695	6,918	6,854	6,353	5,887	8,004
		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	3,464
2,790	2,516	Interest credited to policyholders' account balances	745	762	779	808	806	803	853	881	1,086
1,005	622	Interest expense	298	295	293	301	298	248	287	303	247
(2,037)	(1,801)	Deferral of acquisition costs	(539)	(556)	(554)	(599)	(588)	(588)	(559)	(567)	(578)
670	910	Amortization of acquisition costs	272	265	108	290	338	315	238	512	1,205
7,353	6,632	General and administrative expenses	1,894	2,002	2,088	2,148	2,051	2,005	1,878	2,470	2,003
20,204	18,869	Total benefits and expenses	5,433	5,451	5,372	5,673	5,987	5,727	5,737	7,071	7,427
3,976	3,757	Adjusted operating income (loss) before income taxes	1,097	1,121	1,295	1,022	931	1,127	616	(1,184)	577
		Reconciling items:									
66	657	Realized investment losses, net, and related adjustments	147	41	(178)	(51)	(665)	(527)	(564)	(511)	(710)
17	(108)	Related charges	(6)	(4)	(1)	(40)	(13)	41	17	—	44
83	549	Total realized investment losses, net, and related charges and adjustments	141	37	(179)	(91)	(678)	(486)	(547)	(511)	(666)
35	(33)	Investment gains (losses) on trading account assets supporting insurance liabilities, net	82	(108)	36	(10)	(262)	(123)	(534)	(815)	145
11	(44)	Change in experience-rated contractholder liabilities due to asset value changes	(62)	72	(6)	9	200	94	388	481	(45)
151	(232)	Divested businesses	127	90	58	(1)	(67)	10	(219)	(230)	(32)
(297)	(193)	Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	(91)	(96)	(82)	(68)	(36)	(32)	213	509	3
(17)	47	Total reconciling items, before income taxes	197	(5)	(173)	(161)	(843)	(537)	(699)	(566)	(595)
3,959	3,804	Income (loss) from continuing operations before income taxes and equity in earnings of operating joint ventures	1,294	1,116	1,122	861	88	590	(83)	(1,750)	(18)
1,105	640	Income tax expense (benefit)	370	313	311	126	41	37	(94)	(464)	(7)
2,854	3,164	Income (loss) from continuing operations before equity in earnings of operating joint ventures	924	803	811	735	47	553	11	(1,286)	(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 and include charges for income attributable to non controlling interests.

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

Years ended December 31 2006	2005		2007 1Q	2007 2Q	2007 3Q	2007 4Q	2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
		Revenues (1):									
5,946	6,098	Premiums	1,553	1,531	1,518	1,590	1,772	1,736	1,627	1,698	1,899
286	264	Policy charges and fee income	72	73	72	76	87	82	83	90	99
1,425	1,324	Net investment income	386	405	418	433	461	504	514	527	534
649	466	Asset management fees, commissions and other income	214	209	277	176	175	155	153	(217)	106
8,306	8,152	Total revenues	2,225	2,218	2,285	2,275	2,495	2,477	2,377	2,098	2,638
		Benefits and Expenses (1):									
4,682	4,865	Insurance and annuity benefits	1,219	1,219	1,194	1,275	1,413	1,360	1,279	1,325	1,501
251	207	Interest credited to policyholders' account balances	77	79	84	90	100	101	106	109	119
10	22	Interest expense	2	3	8	6	2	4	1	2	1
(1,007)	(1,003)	Deferral of acquisition costs	(261)	(259)	(253)	(284)	(294)	(299)	(281)	(299)	(309)
454	390	Amortization of acquisition costs	128	126	103	129	160	152	144	182	202
2,346	2,246	General and administrative expenses	587	597	612	668	676	680	631	778	689
6,736	6,727	Total benefits and expenses	1,752	1,765	1,748	1,884	2,057	1,998	1,880	2,097	2,203
1,570	1,425	Adjusted operating income before income taxes	473	453	537	391	438	479	497	1	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 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 and include charges for income attributable to non controlling interests.

RECLASSIFIED COMBINED STATEMENTS OF OPERATIONS - INTERNATIONAL INVESTMENTS SEGMENT
(in millions)

Years ended December 31 2006	2005		2007 1Q	2007 2Q	2007 3Q	2007 4Q	2008 1Q	2008 2Q	2008 3Q	2008 4Q	2009 1Q
		Revenues (1):									
—	—	Premiums	—	—	—	—	—	—	—	—	—
—	—	Policy charges and fee income	—	—	—	—	—	—	—	—	—
31	25	Net investment income	8	9	10	7	13	12	12	12	8
540	445	Asset management fees, commissions and other income	164	154	235	158	157	136	139	(219)	93
571	470	Total revenues	172	163	245	165	170	148	151	(207)	101
		Benefits and Expenses (1):									
—	—	Insurance and annuity benefits	—	—	—	—	—	—	—	—	—
—	—	Interest credited to policyholders' account balances	—	—	—	—	—	—	—	—	—
1	2	Interest expense	1	2	2	1	1	2	1	—	—
—	—	Deferral of acquisition costs	—	—	—	—	—	—	—	—	—
—	—	Amortization of acquisition costs	—	—	—	—	—	—	—	—	—
428	364	General and administrative expenses	110	118	129	126	144	120	113	213	91
429	366	Total benefits and expenses	111	120	131	127	145	122	114	213	91
142	104	Adjusted operating income (loss) before income taxes	61	43	114	38	25	26	37	(420)	10

(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 and include charges for income attributable to non controlling interests.

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 6.76% for the six months ended June 30, 2009, 6.08% for the six months ended June 30, 2008, 12.79% for the three months ended June 30, 2009, .14% for the three months ended March 31, 2009, -39.94% 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.

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 August 5, 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 August 5, 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.

Prudential Financial, Inc.
Financial Services Businesses
Information Regarding Certain General Account Investments
Residential Mortgage-Backed, Commercial Mortgage-Backed, and Asset-Backed Securities, and Commercial Mortgage and Other Loans
June 30, 2009
($ millions)

General Account Investments	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Asset-backed securities (a)	9,982	92	2,441	7,633
Residential mortgage-backed securities (b)	10,149	308	109	10,348
Commercial mortgage-backed securities (c)	7,945	96	800	7,241

	Gross Carrying Value	Allowance For Losses	Net Book Value
Commercial mortgage and other loans (d)	22,235	(293)	21,942

(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	27	14	16	12	421	490	305
	2006	76	142	76	139	692	1,125	833
	2005	5	8	—	—	10	23	18
	2004 and prior	—	—	—	—	—	—	—
Total enhanced short-term portfolio (1)		108	164	92	151	1,123	1,638	1,156
All other portfolios								
	2009	—	—	—	—	—	—	—
	2008	—	—	—	—	—	—	—
	2007	2	15	—	—	302	319	160
	2006	20	143	92	89	1,023	1,367	677
	2005	—	80	89	93	274	536	248
	2004 and prior	71	424	308	172	121	1,096	629
Total all other portfolios		93	662	489	354	1,720	3,318	1,714
Total collateralized by sub-prime mortgages (2)		201	826	581	505	2,843	4,956	2,870
Other asset-backed securities:								
Externally managed investments in the European market (3)		—	—	409	487	16	912	942
Collateralized by auto loans		602	50	14	62	12	740	736
Collateralized by credit cards		437	—	1	662	—	1,100	1,048
Collateralized by non-sub-prime mortgages		995	47	8	37	18	1,105	1,095
Other (4)		543	132	58	114	322	1,169	942
Total asset-backed securities		2,778	1,055	1,071	1,867	3,211	9,982	7,633

Prudential Financial, Inc.
Financial Services Businesses
Information Regarding Certain General Account Investments
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June 30, 2009
($ millions)

(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 June 30, 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 June 30, 2009, based on amortized cost, approximately 78% of these asset-backed securities collateralized by sub-prime mortgages have estimated credit subordination percentages of 20% or more, and 43% 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 $4.956 billion of asset-backed securities collateralized by sub-prime mortgages attributable to the Financial Services Businesses as of June 30, 2009 were $1.340 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 44% European corporate and bank bonds, 22% bank capital, 11% European asset-backed securities, and 23% other. As of June 30, 2009, the amortized cost and fair value shown in the table above includes the $(600) million impact of a bifurcated embedded derivative.

(4) Includes collateralized debt obligations with amortized cost of $124 million and fair value of $71 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 $238 million and fair value of $229 million. Based on amortized cost, 85% of these securities have credit ratings of AAA, 1% have A A credit ratings, 1% have A credit ratings, and the remaining 13% have credit ratings of BBB or below. As of June 30, 2009, included within these asset-backed securities are securities collateralized by sub-prime mortgages with amortized cost and fair value of $1 million, all of which have AAA credit ratings, primarily in the 2006 vintage. As of June 30, 2009, there was $21 million in 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 $0.7 billion of trading account assets supporting insurance liabilities, the investment results of which we expect will ultimately accrue to contract holders. An additional $1.6 billion of asset-backed securities as of June 30, 2009 are classified as other trading, including $21 million held outside the general account, 98% of which have credit ratings of AAA, and 2% of which have credit ratings of B and $1.6 billion included in our general account, 95% of which have credit ratings of A or above and 4% have BBB credit ratings and the remaining 1% are BB and below.

Prudential Financial, Inc.
Financial Services Businesses
Information Regarding Certain General Account Investments
Residential Mortgage-Backed, Commercial Mortgage-Backed, and Asset-Backed Securities, and Commercial Mortgage and Other Loans
June 30, 2009
($ millions)

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

As of June 30, 2009, based on amortized cost, $10.061 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 $43 million secured by "ALT-A" mortgages, represented the remaining $88 million of residential mortgage-backed securities; and 54% have credit ratings of A or above, and the remaining 46% 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 $741 million and fair value of $760 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 $118 million of residental 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	175	—	30	98	26	329	283
2007	1,555	—	3	53	84	1,695	1,512
2006	3,115	—	—	6	4	3,125	2,809
2005	1,580	—	—	12	18	1,610	1,529
2004 and prior	1,062	88	22	10	4	1,186	1,108
Total (1) (2)	7,487	88	55	179	136	7,945	7,241

(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 June 30, 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 June 30, 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 $11 million in AAA, none in AA, $33 million in A, $168 million in BBB and $132 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 $67 million and fair value of $64 million, 90% of which have credit ratings of A or better and the remaining 10% 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 $119 million of other trading account assets.

An additional $1 million of commercial mortgage-backed securities held outside the general account as of June 30, 2009 are classified as other trading, all of which have AAA credit ratings.

Prudential Financial, Inc.
Financial Services Businesses
Information Regarding Certain General Account Investments
Residential Mortgage-Backed, Commercial Mortgage-Backed, and Asset-Backed Securities, and Commercial Mortgage and Other Loans
June 30, 2009
($ millions)

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

Commercial mortgages by property type:	Gross Carrying Value	% of Total
Industrial buildings	4,491	20.2%
Retail stores	3,965	17.9%
Office buildings	3,882	17.5%
Apartment complexes	3,399	15.3%
Other	1,768	8.0%
Hospitality	1,164	5.2%
Agricultural properties	1,148	5.2%
Subtotal of commercial mortgages	19,817	89.2%
Uncollateralized loans	1,316	5.9%
Collateralized by residential properties	915	4.1%
Other collateralized loans	187	0.8%
Total commercial mortgage and other loans	22,235	100.0%

Commercial mortgage and other loans by status:	Gross Carrying Value
Current	22,096
Delinquent, not in foreclosure	69
Delinquent, in foreclosure	7
Restructured	63
Total commercial mortgage and other loans	22,235

As of June 30, 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 62% and 1.83 times, respectively.

Prudential Financial, Inc.
Closed Block Business
Information Regarding Certain General Account Investments
Residential Mortgage-Backed, Commercial Mortgage-Backed, and Asset-Backed Securities, and Commercial Mortgage and Other Loans
June 30, 2009
($ millions)

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Asset-backed securities (a)	5,197	29	1,675	3,551
Residential mortgage-backed securities (b)	2,862	105	73	2,894
Commercial mortgage-backed securities (c)	3,789	9	342	3,456

	Gross Carrying Value	Allowance For Losses	Net Book Value
Commercial mortgage and other loans (d)	8,859	(126)	8,733

(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	23	14	16	13	282	348	221
	2006	78	147	78	134	491	928	693
	2005	5	8	—	—	8	21	17
	2004 and prior	—	—	—	—	—	—	—
Total enhanced short-term portfolio (1)		106	169	94	147	781	1,297	931
All other portfolios								
	2009	—	—	—	—	—	—	—
	2008	—	—	—	—	—	—	—
	2007	29	10	—	—	305	344	181
	2006	100	—	39	63	956	1,158	624
	2005	21	158	72	61	103	415	228
	2004 and prior	31	438	101	128	65	763	469
Total all other portfolios		181	606	212	252	1,429	2,680	1,502
Total collateralized by sub-prime mortgages (2)		287	775	306	399	2,210	3,977	2,433
Other asset-backed securities:								
Collateralized by credit cards		131	—	—	429	—	560	496
Collateralized by auto loans		124	3	—	23	—	150	148
Externally managed investments in the European market (3)		—	—	78	77	—	155	176
Collateralized by education loans		119	20	—	—	6	145	134
Other (4)		89	7	22	21	71	210	164
Total asset-backed securities		750	805	406	949	2,287	5,197	3,551

(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 33% as of June 30, 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 June 30, 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 48% 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 $3.977 billion of asset-backed securities collateralized by sub-prime mortgages attributable to the Closed Block Business as of June 30, 2009 were $1.335 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 44% European corporate and bank bonds, 22% bank capital, 11% European asset-backed securities, and 23% other. As of June 30, 2009, the amortized cost and fair value shown in the table above includes the $(126) million impact of a bifurcated embedded derivative.

(4) Includes collateralized debt obligations with amortized cost of $16 million and fair value of $10 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 $25 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.

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

As of June 30, 2009, based on amortized cost, $2.525 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 $133 million secured by “ALT-A” mortgages, represented the remaining $337 million of residential mortgage-backed securities and 37% have credit ratings of AAA, 2% have AA credit ratings, 18% have A credit ratings, 4% have BBB credit ratings, 30% have BB credit ratings and the remaining 9% have B credit ratings.

(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	9
2007	439	—	19	—	—	458	395
2006	857	—	—	—	—	857	751
2005	1,275	—	—	—	—	1,275	1,177
2004 and prior	1,108	37	43	1	—	1,189	1,124
Total (1)	3,689	37	62	1	—	3,789	3,456

(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 June 30, 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 June 30, 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.

Prudential Financial, Inc.
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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	1,965	22.2%
Office buildings	1,799	20.3%
Retail stores	1,682	19.0%
Apartment complexes	1,659	18.7%
Agricultural properties	748	8.4%
Other properties	549	6.2%
Hospitality	416	4.7%
Subtotal of commercial mortgages	8,818	99.5%
Uncollateralized loans	40	0.5%
Collateralized by residential properties	1	0.0%
Other collateralized loans	—	0.0%
Total commercial mortgage and other loans	8,859	100.0%

Commercial mortgage and other loans by status:	Gross Carrying Value
Current	8,827
Delinquent, not in foreclosure	3
Delinquent, in foreclosure	—
Restructured	29
Total commercial mortgage and other loans	8,859

As of June 30, 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 56% and 1.94 times, respectively.