



JOHN STRANGFELD
CHAIRMAN AND CEO

PRUDENTIAL FINANCIAL, INC.

**BANK OF AMERICA MERRILL LYNCH
INSURANCE CONFERENCE 2010**

Forward-Looking Statements



Certain of the statements included in this presentation, 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 severe economic conditions and the severe stress experienced by the global financial markets that began in the second half of 2007 and continued into 2009; (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 from the second half of 2007 continuing into 2009 was characterized by extreme adverse market and economic conditions. The foregoing risks are even more pronounced in such 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 presentation.

Prudential Financial, Inc. of the United States is not affiliated with Prudential PLC which is headquartered in the United Kingdom.

Non-GAAP Measure



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

For additional information about adjusted operating income and the comparable GAAP measure please refer to our Forms 10-K and 10-Q located on the Investor Relations Web site at www.investor.prudential.com. Additional historical information relating to the Company’s financial performance is also located on the Investor Relations website.

The information referred to above and on the prior page, as well as the risks of our businesses described in our Forms 10-K and 10-Q, should be considered by readers when reviewing forward-looking statements contained in this presentation.

Prudential Today

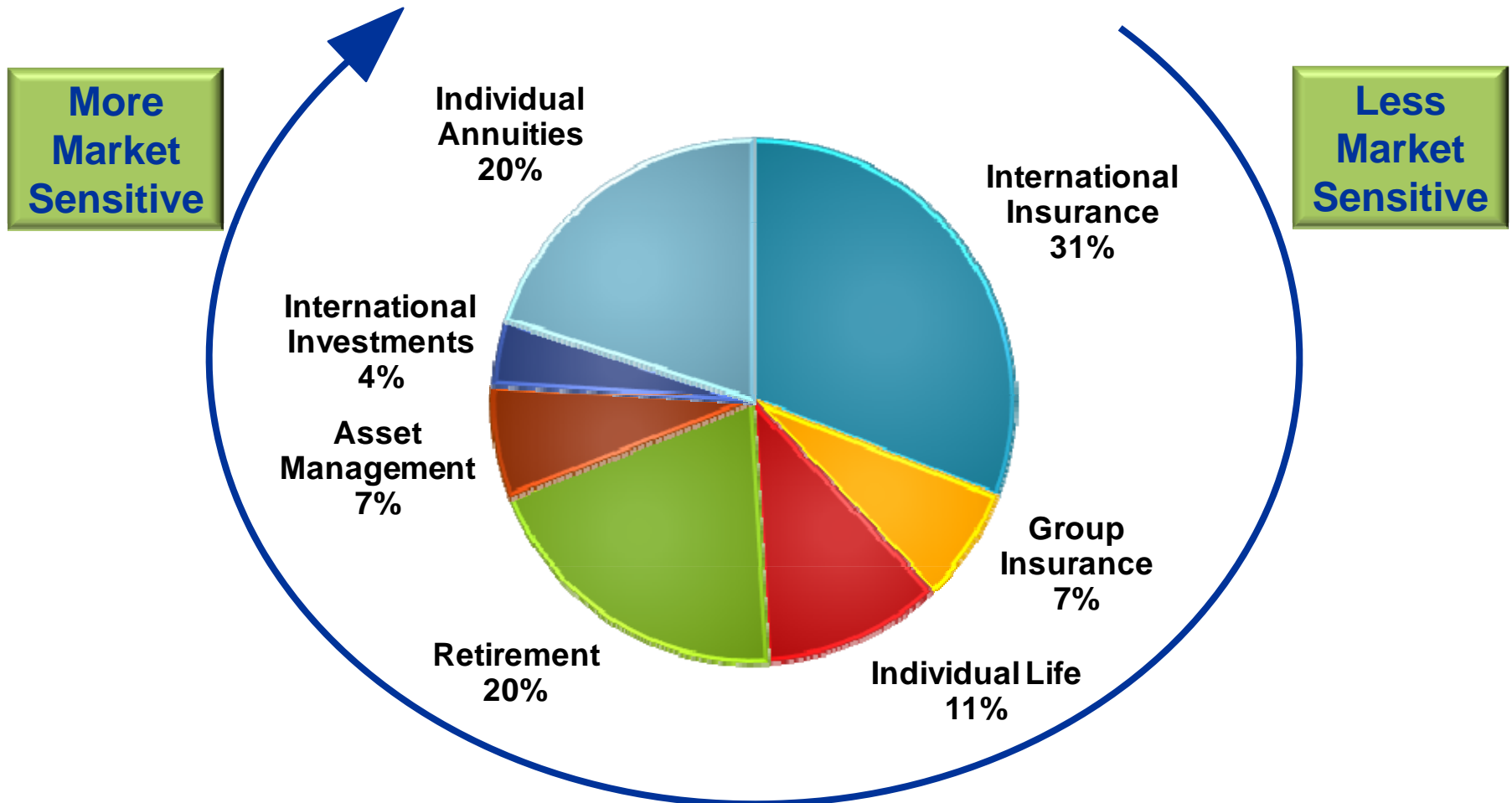


- Diversified mix of high quality businesses
 - Leadership positions in chosen markets
 - Superior value propositions: innovative solutions to financial security needs
- Balanced portfolio of selected risks
- Strong capital and liquidity, and financial flexibility
- Growth engines in International Insurance and U.S. Retirement Solutions
- Diversified distribution channels
- Proven acquisition and integration track record
- Seasoned management team

GAINING GROUND IN THE CURRENT MARKET

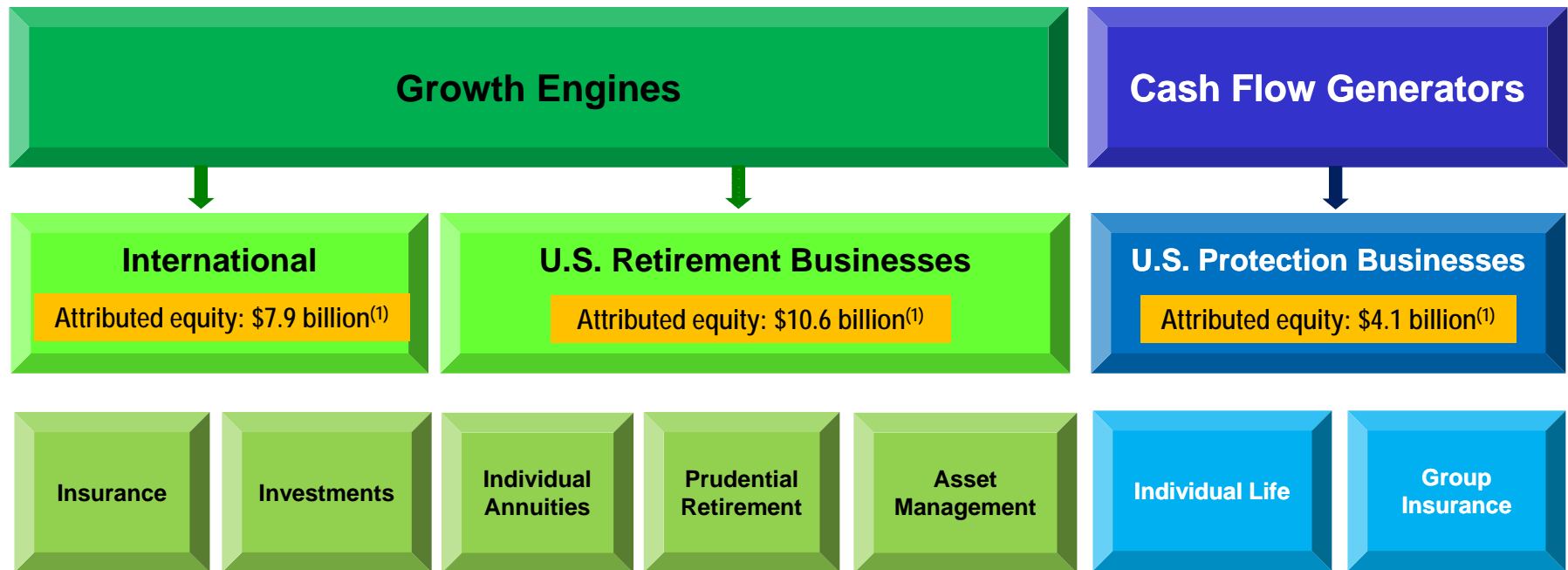
Superior Mix of High Quality Businesses

ATTRIBUTED EQUITY: \$22.6 BILLION⁽¹⁾



1) As of December 31, 2009; operating divisions of the Financial Services Businesses (FSB); excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension and postretirement benefits. Excludes Corporate and Other.

Balanced Portfolio of Strong Businesses



1) As of December 31, 2009; operating divisions of the FSB; excluding accumulated other comprehensive income related to unrealized gains and losses on investments and pension and postretirement benefits. Excludes Corporate and Other.

Making a Strong Company Stronger



2009

- \$1.4 billion Common equity issue (June '09)⁽¹⁾
- \$2.5 billion long-term debt issues (June '09 and September '09)⁽¹⁾
- \$500 million exchangeable surplus note issue (September '09)⁽²⁾
- \$4.5 billion cash proceeds from Wachovia joint venture put (December '09)
- Prudential Insurance RBC estimated to be in the mid 500's⁽³⁾
- Japan solvency margins expected to be above AA standards⁽⁴⁾
- \$2.8 billion “net cash” at parent company⁽⁵⁾

INTERNAL CAPITAL GENERATION DRIVEN BY HIGH-RETURN BUSINESSES

1) Issued by Prudential Financial, Inc.

2) Issued by The Prudential Insurance Company of America.

3) As of December 31, 2009. The inclusion of RBC measures is intended solely for the information of investors and is not intended for the purpose of ranking any insurance company or for use in connection with any marketing, advertising or promotional activities.

4) As of fiscal year end, March 31, 2010.

5) Net cash includes cash, cash equivalents, and short-term investments, reduced by commercial paper borrowings and an intra-company liquidity account at Prudential Financial, Inc., the parent holding company as of December 31, 2009.

Prudential Businesses Gaining Ground



	Year Ended December 31, ⁽¹⁾	
	2009	2008
Variable Annuities		
Gross Sales	\$16,117	\$ 10,208
Net Flows	9,353	1,151
Full Service Retirement		
Gross Deposits and Sales	23,188	18,941
Net Additions	8,750	3,890
Individual Life		
Annualized New Business Premiums	359	331
Group Insurance		
Annualized New Business Premiums	577	492
International Insurance		
Annualized New Business Premiums⁽²⁾	\$ 1,404	\$ 1,262

1) In millions.

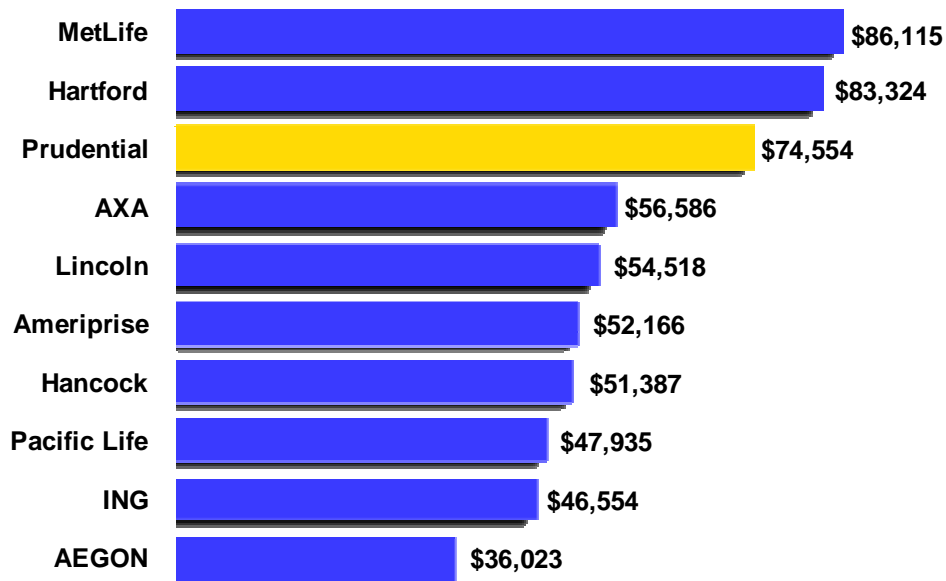
2) Foreign denominated activity translated to U.S. dollars at uniform exchange rates (99 Japanese yen per U.S. dollar; 1040 Korean won per U.S. dollar); U.S. denominated activity is included based on the amounts as transacted in U.S. dollars.

Prudential Annuities 3Q09 Asset and Sales Rankings

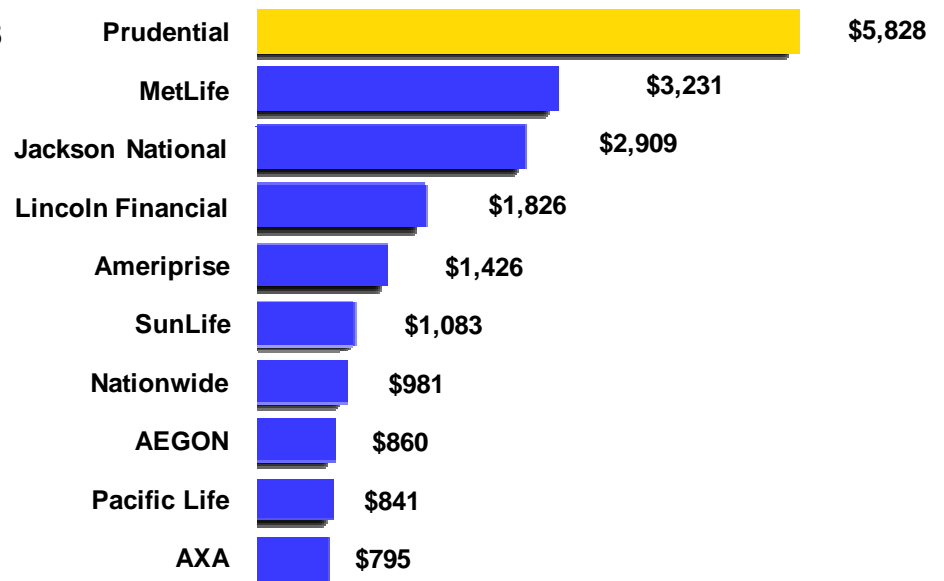


(\$ millions)

Variable Annuity Assets Under Management⁽¹⁾



3Q09 Advisor-Sold Variable Annuity Sales⁽¹⁾



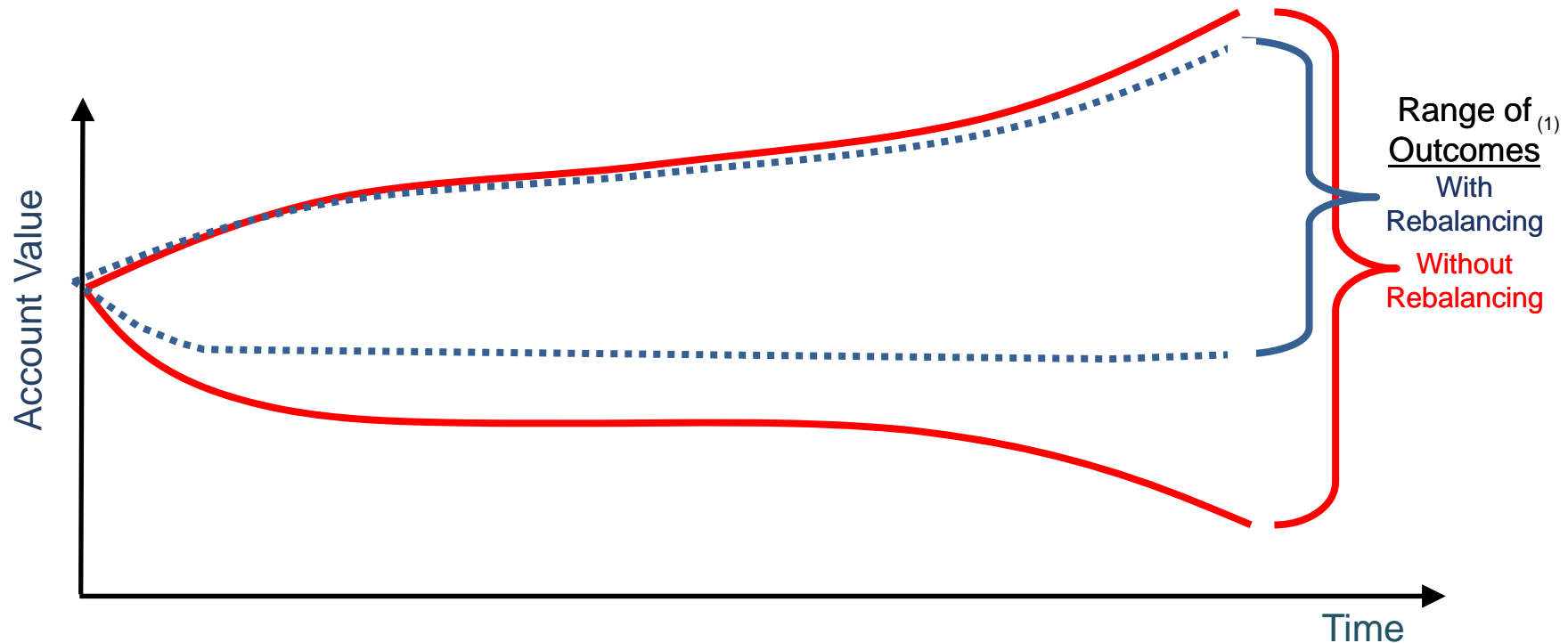
1) Source: VARDS 3Q'09 report. Advisor-sold, excludes group/retirement plan contracts.

Prudential Annuities

A Differentiated Approach

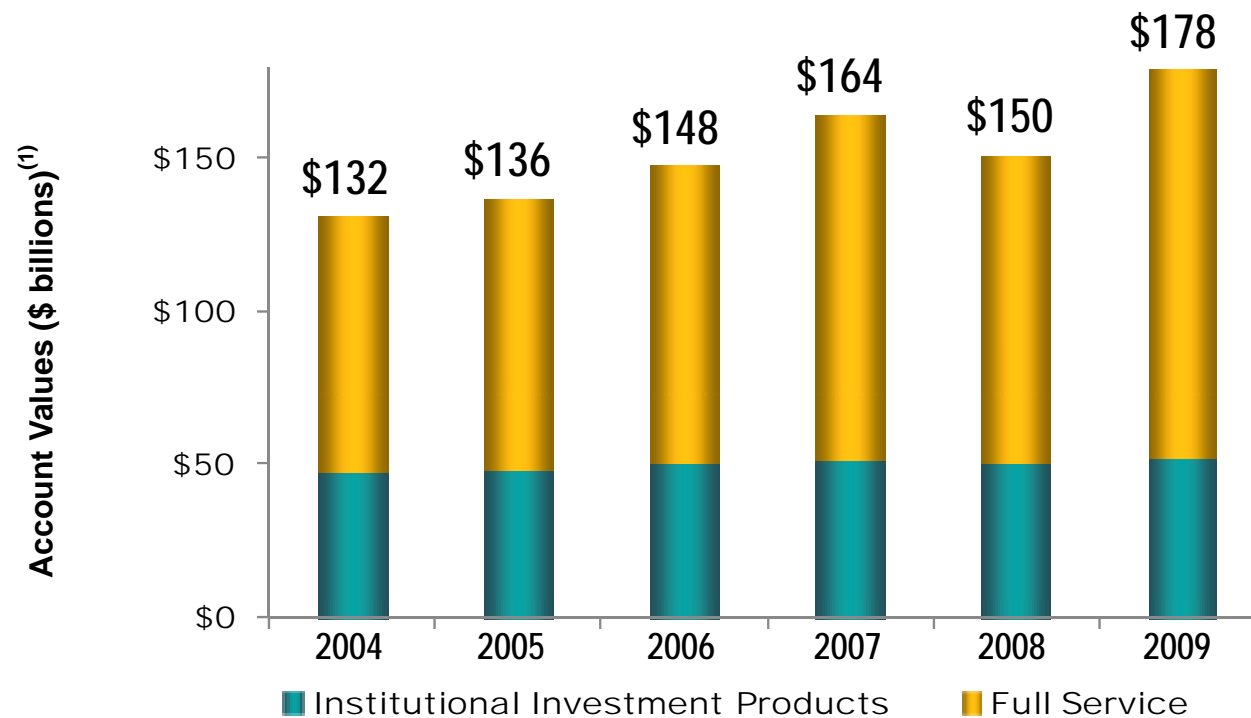


- Current HD Living Benefit product design minimizes Prudential's risk while meeting customers' needs:
 - New Highest Daily 6 Plus
 - Automatic rebalancing narrows the range of possible investment outcomes
- As of December 31, 2009, 65% of variable annuity account values had living benefits and 67% of living benefits had the automatic rebalancing feature.



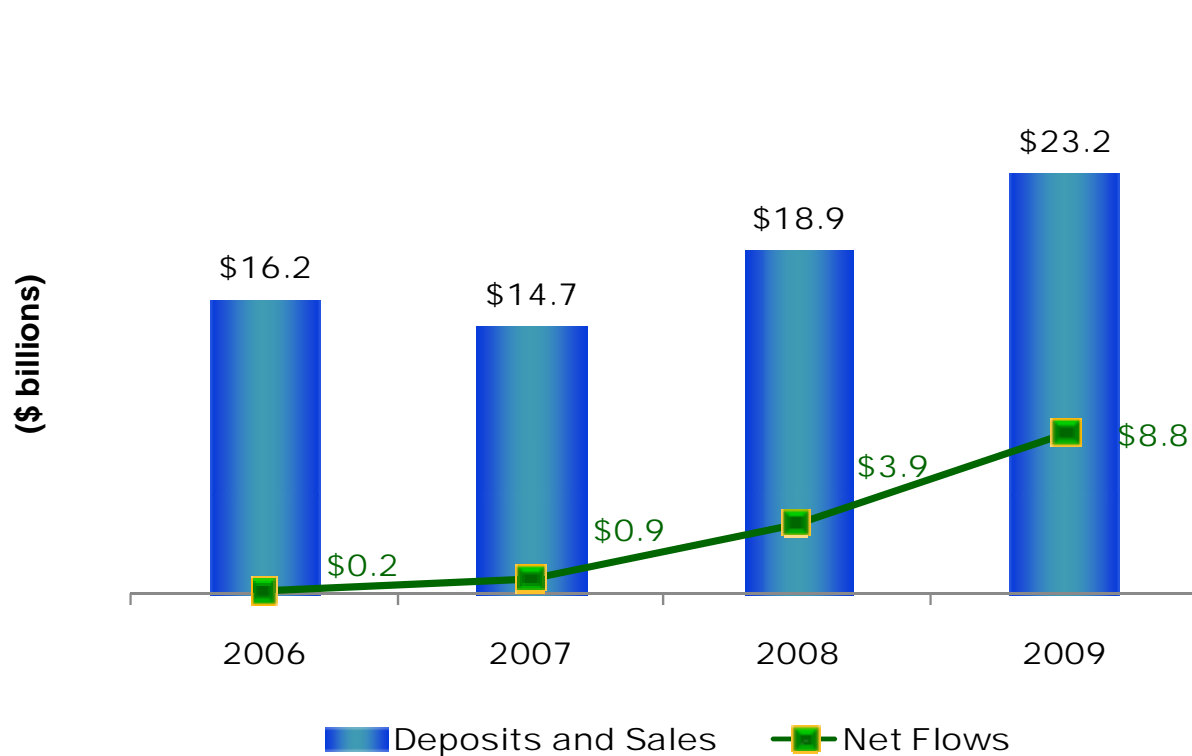
1) For illustrative purposes; not intended to be representative of actual results.

Prudential Retirement Emphasis on Full Service Retirement



1) Includes acquired businesses from dates of acquisitions.

Prudential Retirement Full Service Retirement Asset Flows



**96%
Plan
Persistency⁽¹⁾**

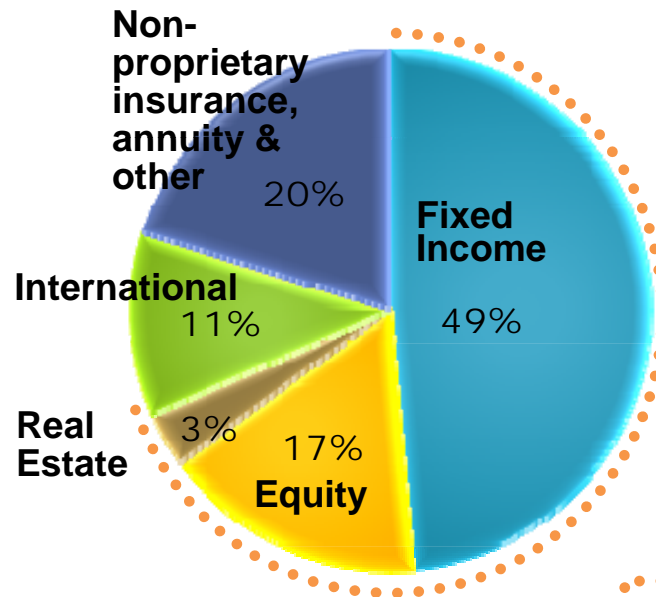
1) For the twelve months ended December 31, 2009.

Prudential Financial's AUM Significant Scale and Breadth

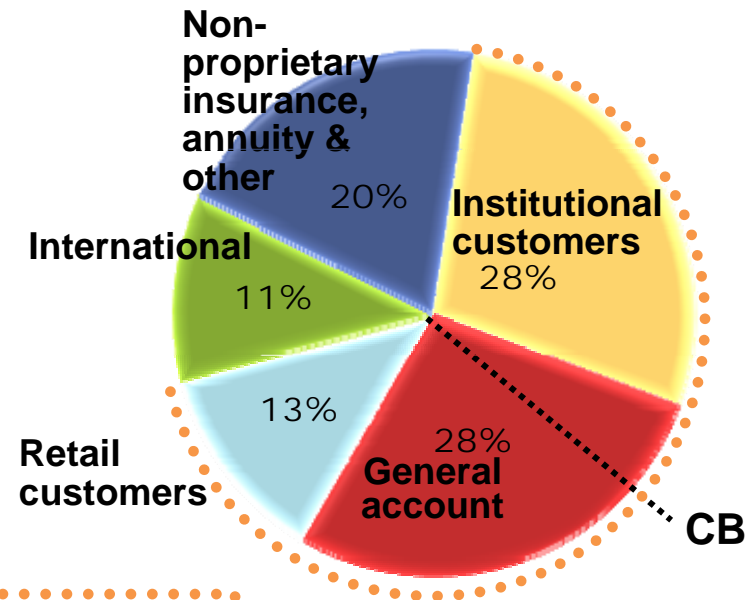


Total AUM \$667 billion⁽¹⁾

AUM by Asset Type



AUM by Client Type



**Asset Management Business
\$457 billion**

1) As of December 31, 2009.

Prudential Investment Management Competitive Advantages



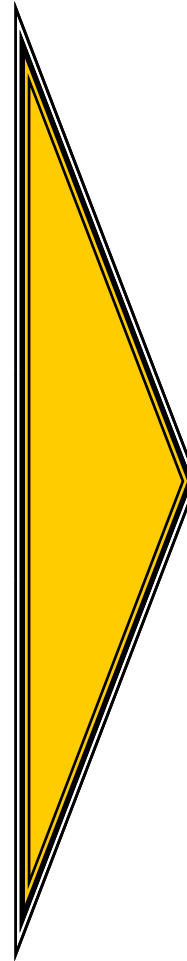
**Experience and
Track Record**

**Breadth and Depth
of Capabilities**

**Access to Capital
and Co-investing**

**Brand and
Reputation**

Scale



Institutional Clients

- \$152 billion third party institutional AUM⁽¹⁾
- 14% AUM CAGR (2002 – 2009)

Manager Continuity⁽¹⁾

- 195 investment professionals
- Average tenure 14 years

1) As of December 31, 2009; Assets under management (AUM) excludes affiliated institutional assets under management.

Domestic Protection Business



	Protection Marketplace	Prudential Strategies
Individual Life	<ul style="list-style-type: none"> ▪ Mature, low-growth industry ▪ Overcapacity ▪ Commodity products 	<ul style="list-style-type: none"> ▪ Focus on returns through capital management, cost-effective distribution ▪ Expanded third party distribution is growth opportunity ▪ Quality business: avoid inappropriate financing ▪ Results largely uncorrelated to U.S. equity markets
Group Insurance	<ul style="list-style-type: none"> ▪ Client focus on stretching benefit dollars ▪ Optional life purchases contribute to growth prospects 	<ul style="list-style-type: none"> ▪ Maintain market position: #2 in Group Life⁽¹⁾ ▪ Focus on returns: case selection; appropriate pricing ▪ Cultivate optional life sales through employer clients ▪ Deliver stable earnings and strong cash flows

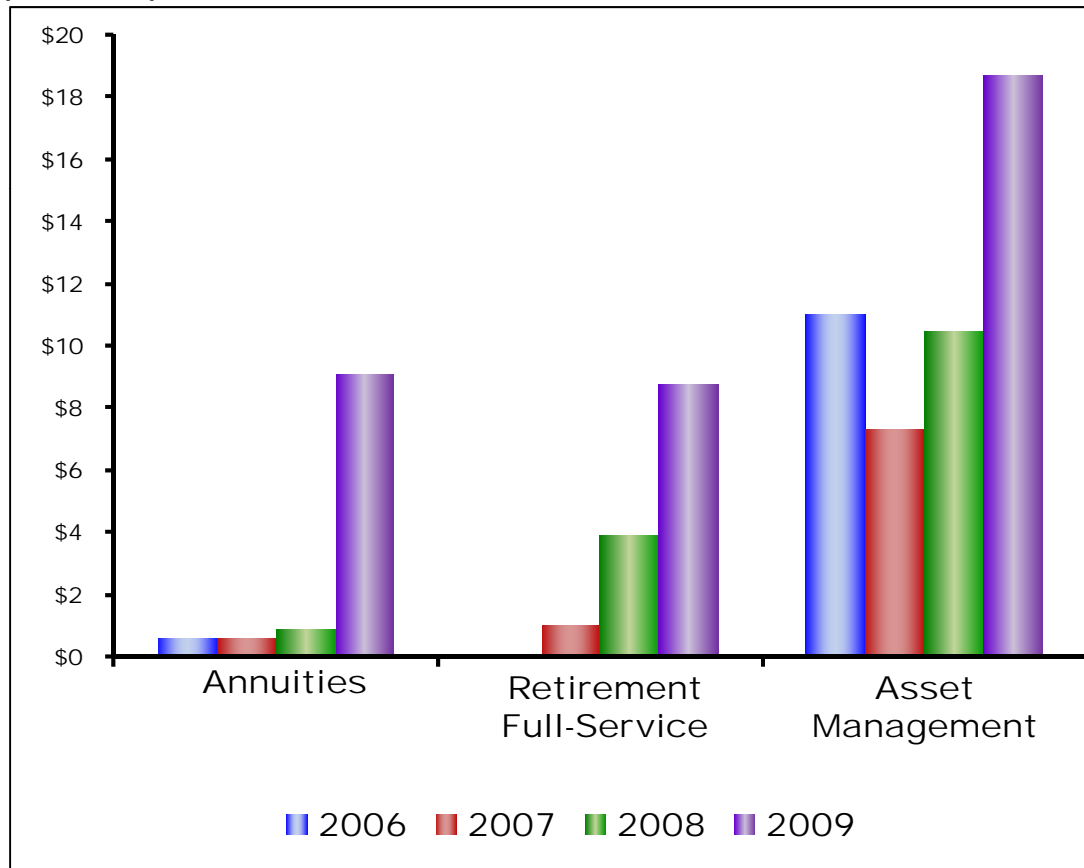
1) Based on A.M. Best ranking of statutory premiums for the year ended December 31, 2008.

U. S. Businesses Gaining Ground Strong Sales and Flows

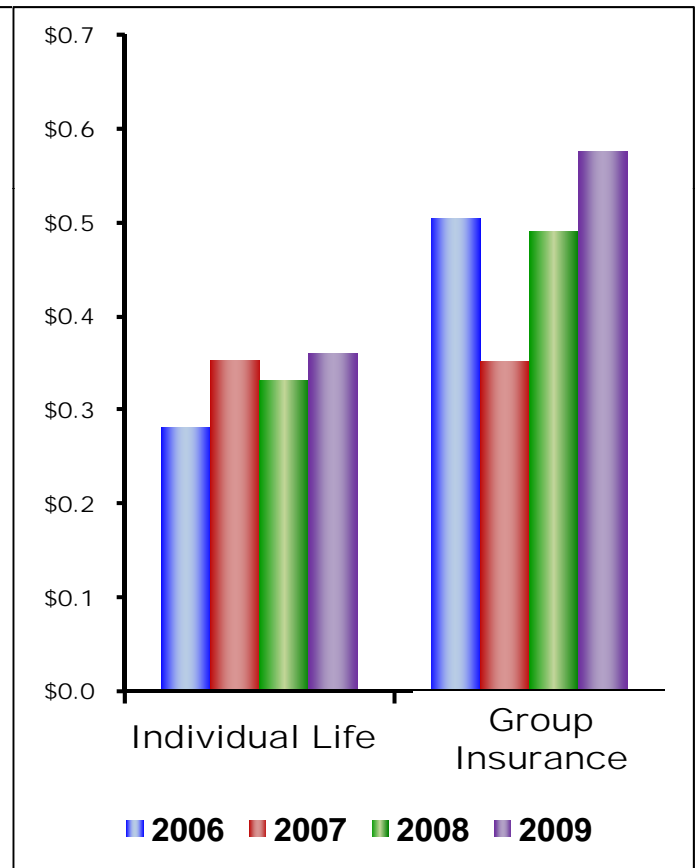


Net Flows

(\$ billions)



Annualized New Business Premiums



U.S. Businesses Financial Performance



(\$ millions)	2006	2007	2008	2009
Adjusted operating income pre-tax:				
Individual Annuities	\$ 586	\$ 722	\$ (1,077)	\$ 703
Retirement	510	482	531	510
Asset Management	550	701	232	55
Individual Life	545	622	446	562
Group Insurance	229	286	340	331
U.S. Businesses Total	\$2,420	\$2,813	\$ 472	\$ 2,161

Key Elements of Our International Strategy



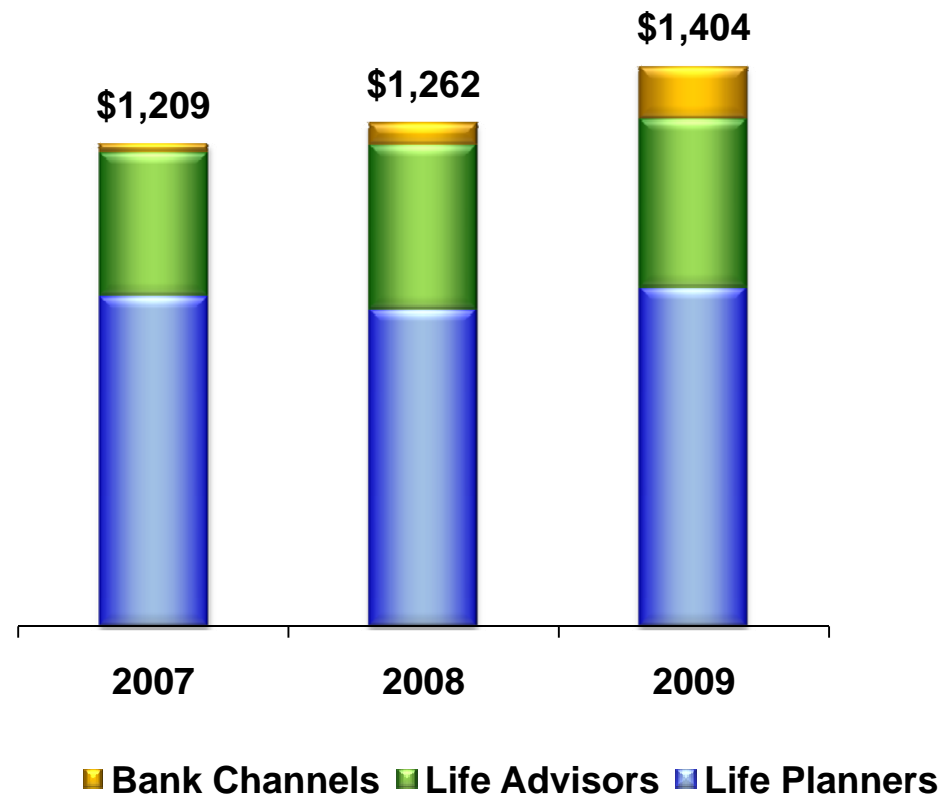
- Concentrate on a limited number of attractive countries
- Continue building proprietary distribution: recruiting and selection
- Target the affluent and mass affluent consumer
- Historical focus on life insurance
- Needs-based selling
- Growth through complementary distribution channels and opportunistic acquisitions
- Increasing emphasis on meeting retirement needs

International Insurance Steady Sales Throughout Financial Crisis



Annualized New Business Premiums⁽¹⁾

(\$ millions)



1) Foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented (99 Japanese yen per U.S. dollar; 1040 Korean won per U.S. dollar). U.S. denominated activity is included based on the amounts as transacted in U.S. dollars.

International Division Financial Performance



(\$ millions)	2006	2007	2008	2009
Adjusted operating income pre-tax:				
Life Planner Business	\$ 938	\$ 1,020	\$ 1,125	\$ 1,221
Gibraltar Life	490	578	622	622
				23% ROE⁽¹⁾
International Insurance	1,428	1,598	1,747	1,843
International Investments	142	256	(332)	43
International Division Total	\$ 1,570	\$ 1,854	\$ 1,415	\$ 1,886

1) Based on after-tax adjusted operating income for the year ended December 31, 2009.

Summary



- Balanced portfolio of good businesses with favorable growth and return prospects
- Gaining ground: strong sales and flows across the board
- Bolstered capital and liquidity position
- Risk management supports sustained financial strength
- Focus on talent and leadership at the highest levels
- Positioned for organic business growth and acquisition opportunities
- Financial performance: expect to be a leader among our peers



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