



Mark Grier
Vice Chairman
Prudential Financial, Inc.

May 9, 2012

2012 UBS Global Financial Services Conference

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; (2) the availability and cost of additional debt or equity capital or external financing for our operations; (3) interest rate fluctuations or prolonged periods of low interest rates; (4) the degree to which we choose not to hedge risks, or the potential ineffectiveness or insufficiency of hedging or risk management strategies we do implement, with regard to variable annuity or other product guarantees; (5) any inability to access our credit facilities; (6) reestimates of our reserves for future policy benefits and claims; (7) 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; (8) changes in our assumptions related to deferred policy acquisition costs, value of business acquired or goodwill; (9) changes in assumptions for retirement expense; (10) changes in our financial strength or credit ratings; (11) statutory reserve requirements associated with term and universal life insurance policies under Regulation XXX and Guideline AXXX; (12) investment losses, defaults and counterparty non-performance; (13) competition in our product lines and for personnel; (14) difficulties in marketing and distributing products through current or future distribution channels; (15) changes in tax law; (16) economic, political, currency and other risks relating to our international operations; (17) fluctuations in foreign currency exchange rates and foreign securities markets; (18) regulatory or legislative changes, including the Dodd-Frank Wall Street Reform and Consumer Protection Act; (19) inability to protect our intellectual property rights or claims of infringement of the intellectual property rights of others; (20) adverse determinations in litigation or regulatory matters and our exposure to contingent liabilities, including in connection with our divestiture or winding down of businesses; (21) 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; (22) ineffectiveness of risk management policies and procedures in identifying, monitoring and managing risks; (23) effects of acquisitions, divestitures and restructurings, including possible difficulties in integrating and realizing the projected results of acquisitions, including risks associated with the acquisition of certain insurance operations in Japan; (24) interruption in telecommunication, information technology or other operational systems or failure to maintain the security, confidentiality or privacy of sensitive data on such systems; (25) changes in statutory or U.S. GAAP accounting principles, practices or policies; (26) 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 (27) risks due to the lack of legal separation between our Financial Services Businesses and our Closed Block Business. Prudential Financial, Inc. does not intend, and is under no obligation, to update any particular forward-looking statement included in this 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) within certain of our businesses for which such gains (losses) are a principal source of earnings, and those associated with terminating hedges of foreign currency earnings and current period yield adjustments are included in adjusted operating income. Adjusted operating income excludes realized investment gains and losses from products that contain embedded derivatives, and from associated derivative portfolios that are part of a hedging program related to the risk of those products. Adjusted operating income also excludes gains and losses from changes in value of certain assets and liabilities relating to foreign currency exchange movements that have been economically hedged or considered part of our capital funding strategies for our international subsidiaries, as well as gains and losses on certain investments that are classified as other trading account assets.

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, including reconciliation between the two, please refer to our Form 8-K filed on April 26, 2012, which provides supplementary financial information for historical periods reflecting the retrospective adoption of revised U.S. GAAP accounting standards related to deferred policy acquisition costs, as well as our Forms 10-K and 10-Q, located on the Investor Relations website 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.

Reconciliation for Individual Annuities pre-tax adjusted operating income excluding disclosed items



	<u>Year ended</u> <u>31-Dec-10</u>	<u>Year ended</u> <u>31-Dec-11</u>	<u>Quarter ended</u> <u>31-Mar-11</u>	<u>Quarter ended</u> <u>31-Mar-12</u>
Individual Annuities pre-tax adjusted operating income	950	662	274	421
Reconciling items:				
Amortization of deferred policy acquisition and other costs ⁽¹⁾	(212)	122	(18)	(60)
Change in reserves for guaranteed minimum death and income benefits ⁽¹⁾	(124)	100	(40)	(136)
Other ⁽²⁾	(25)	-	-	-
Individual Annuities pre-tax adjusted operating income excluding disclosed items indicated above	<u>589</u>	<u>884</u>	<u>216</u>	<u>225</u>

1) Reflects impact of market performance, actual-to-expected result differences, and changes in assumptions used in projecting gross profits and claims.

2) Includes refinements based on review and settlement of reinsurance contracts related to acquired business.

Prudential Today

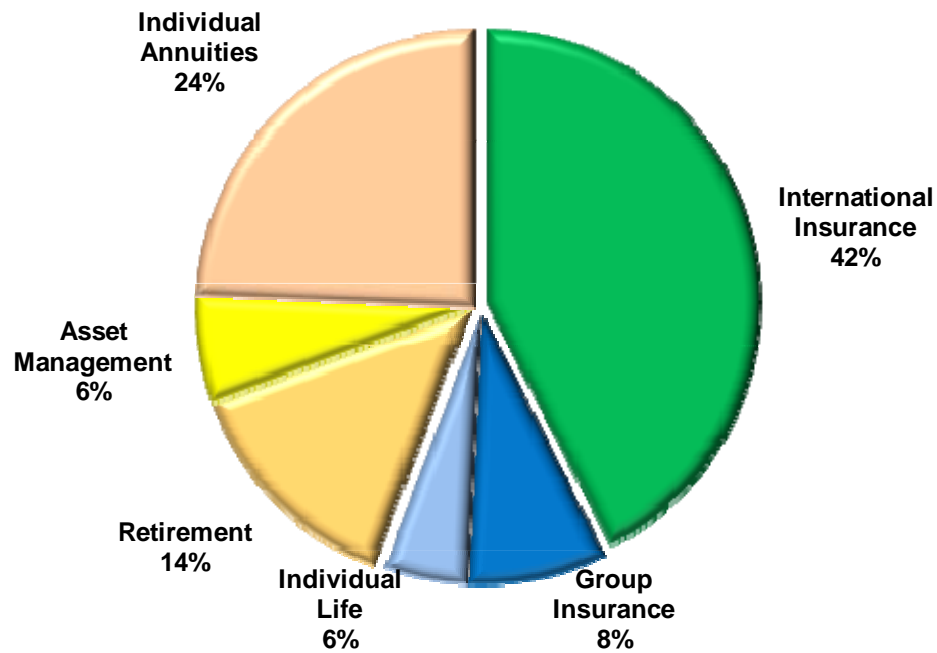


- Attractive return opportunities in high quality businesses, supported by strong balance sheet
- Balanced portfolio of selected risks; improving risk profile
- Growth engines in International Insurance, Annuities and Asset Management
- Expanding distribution: market leadership across multiple channels
- Capital management: balanced approach to investing in businesses, returning capital to investors
- Proven acquisition and integration track record
- Seasoned management team; focus on talent and leadership

Superior Mix of High Quality Businesses Enhanced by Star/Edison Acquisition



MARCH 31, 2012
ATTRIBUTED EQUITY
\$28.5 BILLION⁽¹⁾



1) Attributed equity of Financial Services Businesses as of March 31, 2012, excluding accumulated other comprehensive income; excludes Corporate and Other operations.

Capital Deployment “Then” and “Now”



Circa 2008 - 2009

• Defense

• Offense



2012 

- Support growth of high return businesses
- Return capital to shareholders
- Maintain sound capital position consistent with business risks

Capital Management and Business Approach

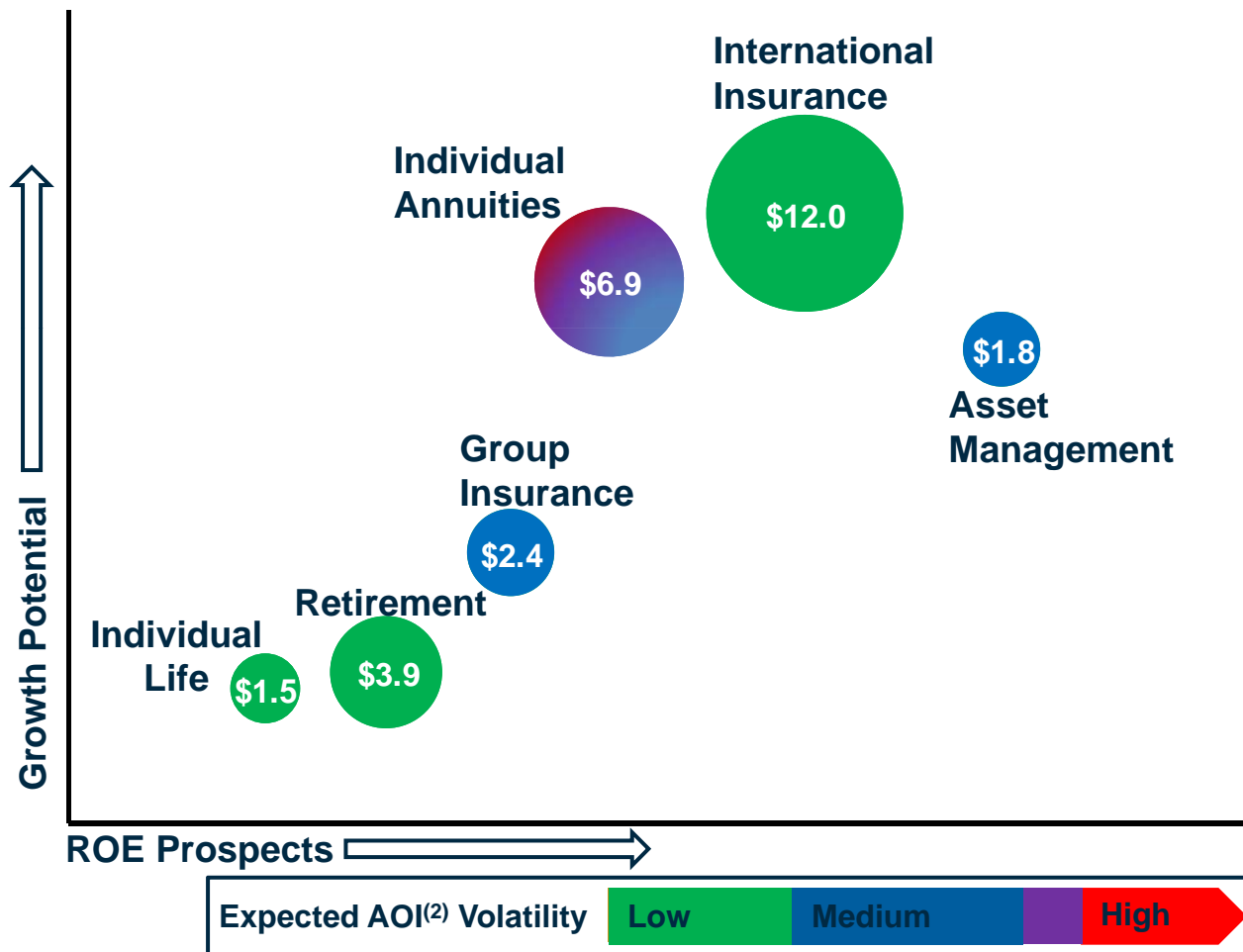


**Capital Management
Begins with
Selection of
Businesses
and Risks**



- High value-added business models
- Credible diversification in mix of businesses and risks
- Consistent with established strategies
- Fit with proven execution and risk management capabilities
- Contribution to ROE prospects and growth potential

Superior Business Mix Drives Growth and Return Prospects⁽¹⁾



1) For illustrative purposes only; not intended to express actual growth or return expectations for any particular periods. Amounts shown (in billions) represent attributed equity as of March 31, 2012.

2) Adjusted operating income.

Leadership Positions in Chosen Markets



A set of businesses that are diverse, healthy and competitive in their markets

Rank	Business	Metric	As of
2	Variable Annuities	Sales (Advisor-sold)	4Q '11
2	Stable Value	Assets	4Q '11
7	Defined Contribution	Assets managed	2010
7	Defined Benefit	Assets managed	2010
2	Term Life	New annualized premiums	4Q '11
2	Group Life	In-force premiums	4Q '11
2	International Insurance	New business face amount in Japan	9 months ended December 2011

Sources: LIMRA, VARDS, Pensions & Investments, Life Insurance Association of Japan (excluding Japan Post Insurance)

Key Elements of Our International Strategy



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

Japan: Substantial Growth Opportunities in an Attractive Market



- World's second largest life insurance market: Life premiums \$441 billion⁽¹⁾
- Household sector wealth \$18.3 trillion, similar to U.S. on per-capita basis⁽²⁾
- \$10.1 trillion household pool of currency and deposits is world's largest, ~50% higher than U.S.⁽²⁾
- Expanding retirement market driven by aging population, increased emphasis on individual responsibility for financial security
- Star/Edison acquisition adds scale and distribution strength



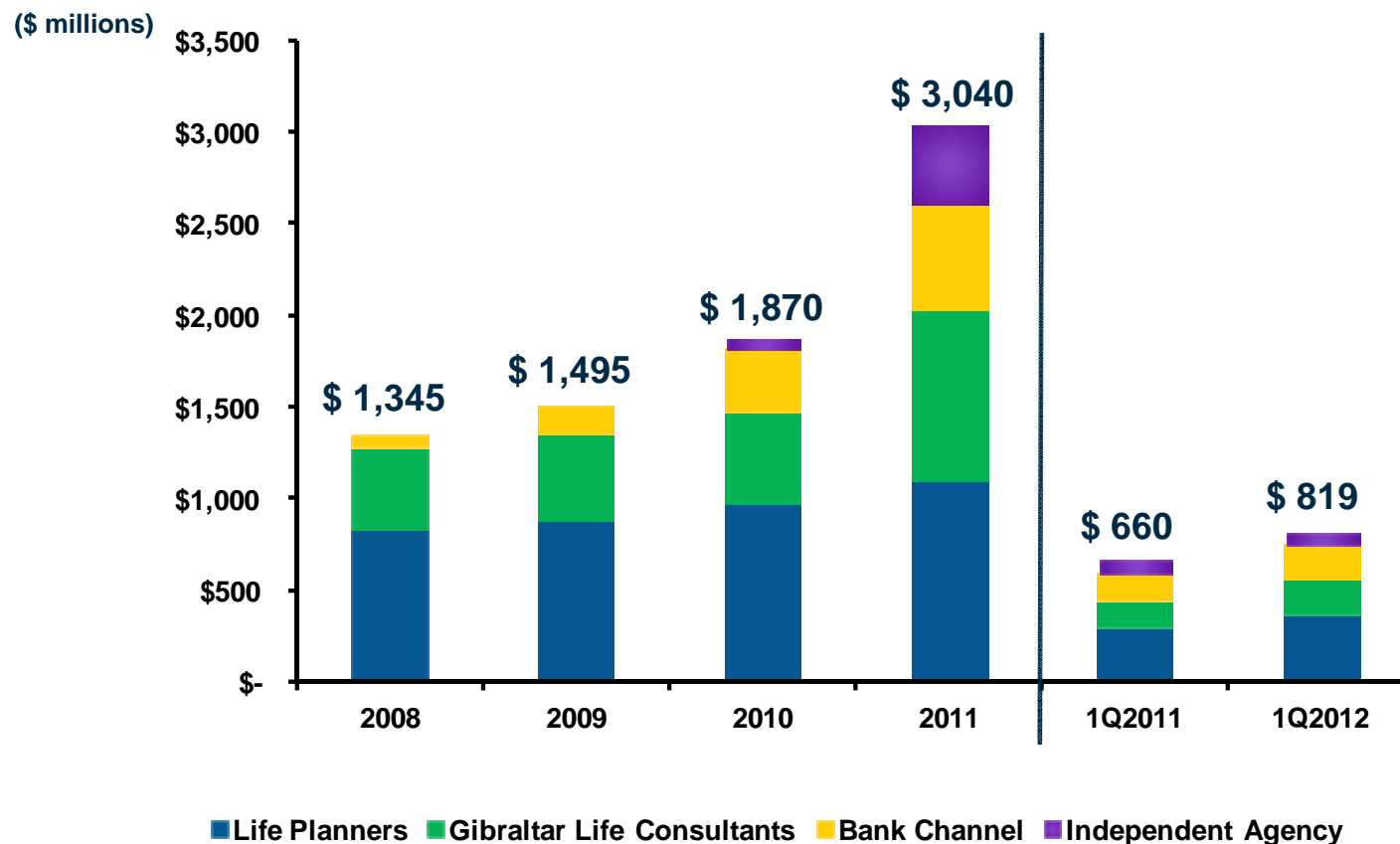
1) For the year 2010, based on Swiss Re Survey

2) Based on December 31, 2010 data; Sources: Federal Reserve, Bank of Japan, U.S. Census Bureau, Oanda

International Insurance Growing Sales Throughout Multiple Channels



Annualized New Business Premiums⁽¹⁾



1) Foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented (85 Japanese yen per U.S. dollar; 1180 Korean won per U.S. dollar). U.S. denominated activity is included based on the amounts as transacted in U.S. dollars. 2011 includes contribution of sales by Star/Edison distribution channels, totaling \$728 million.

International Insurance Financial Performance



(\$ millions)	2008	2009	2010	2011	Three Months ended March 31, 2011	Three Months ended March 31, 2012
Adjusted operating income pre-tax:						
Life Planner Business	\$ 998	\$ 1,059	\$ 1,149	\$ 1,246	\$ 300	\$ 382
Gibraltar Life⁽¹⁾	583	592	738	1,017	318	215
Total	\$ 1,581	\$ 1,651	\$ 1,887	\$ 2,263	\$ 618	\$ 597

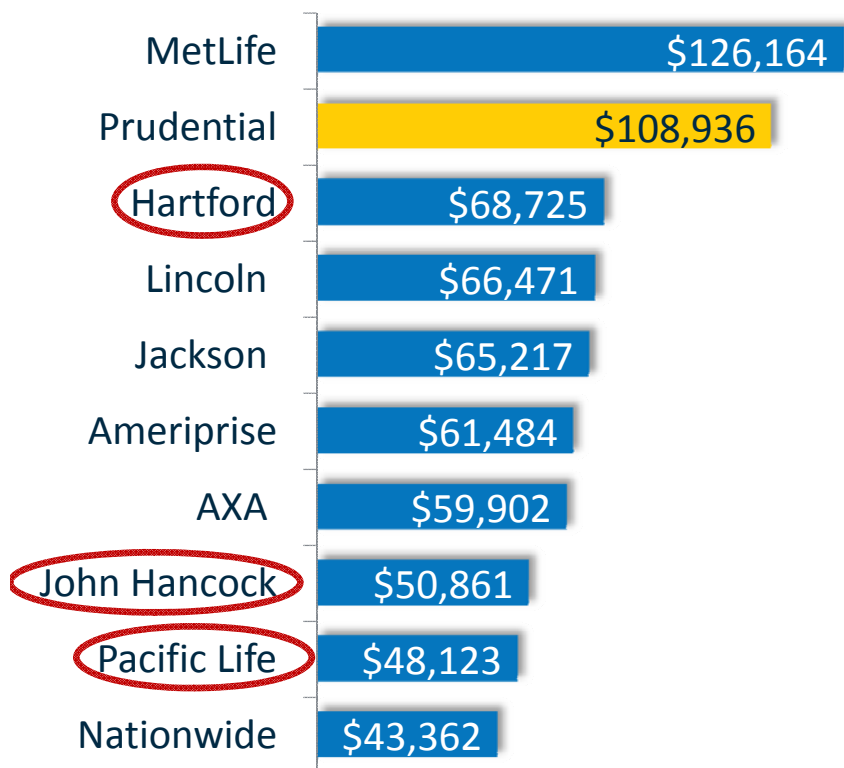
1) Excludes International Investments businesses previously included in International Investments segment and currently included within "Gibraltar Life and Other Operations" within International Insurance segment for financial reporting purposes, with pre-tax adjusted operating income (loss) of \$(412) million, \$25 million, \$28 million and \$120 million in 2008, 2009, 2010 and 2011, respectively, and \$10 million and \$9 million for the three months ended March 31, 2011 and 2012, respectively.

Prudential Annuities 4Q11 Asset and Sales Rankings

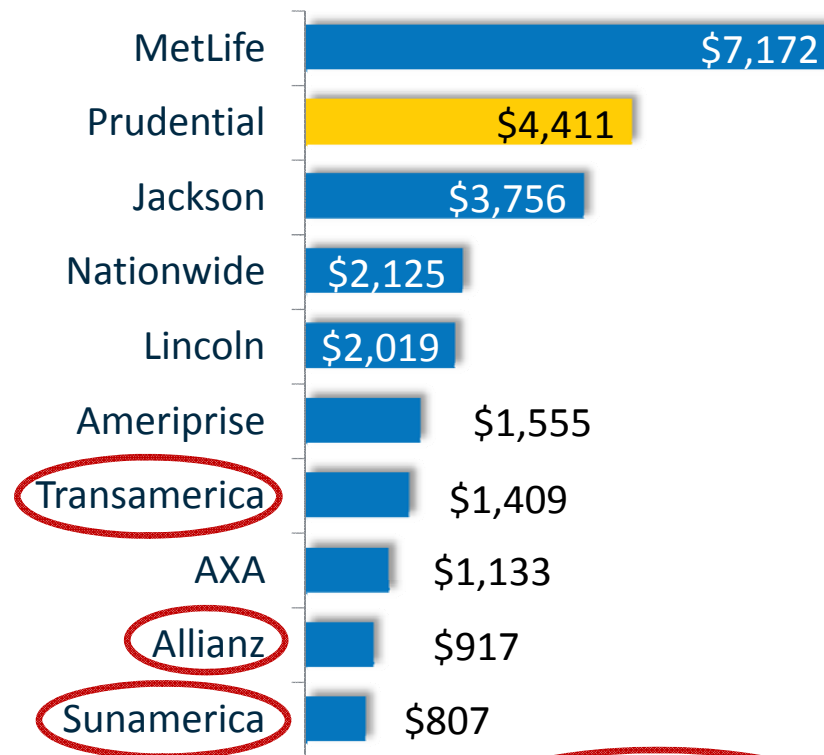


(\$ Millions)

Variable Annuity Assets Under Management⁽¹⁾



Advisor-Sold Variable Annuity Sales⁽¹⁾



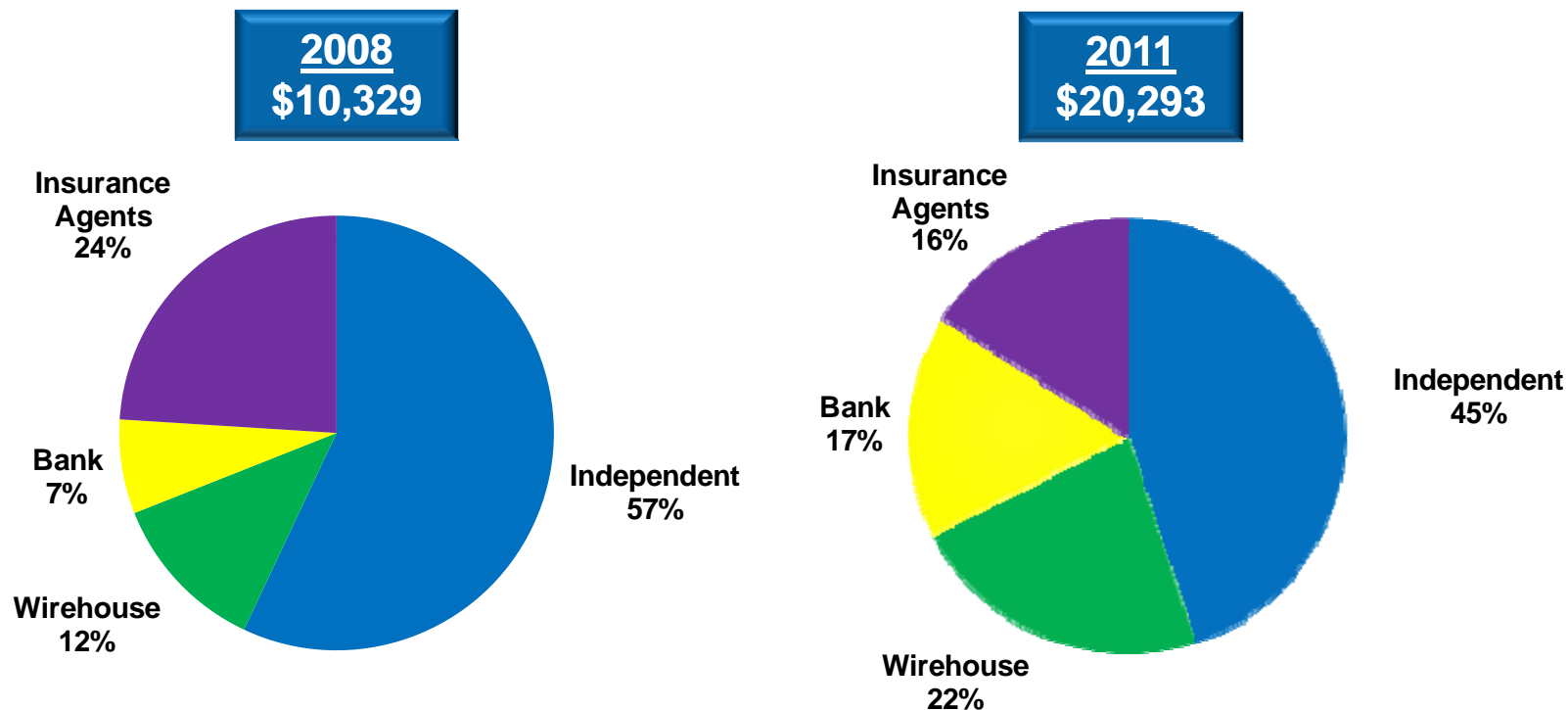
1) Source: VARDS 4Q'11 report. Advisor-sold, excludes group/retirement plan contracts.

Indicates company appears on one side of the slide but not the other

Building Multi-Channel Distribution Strength



Prudential Individual Annuity Gross Sales⁽¹⁾

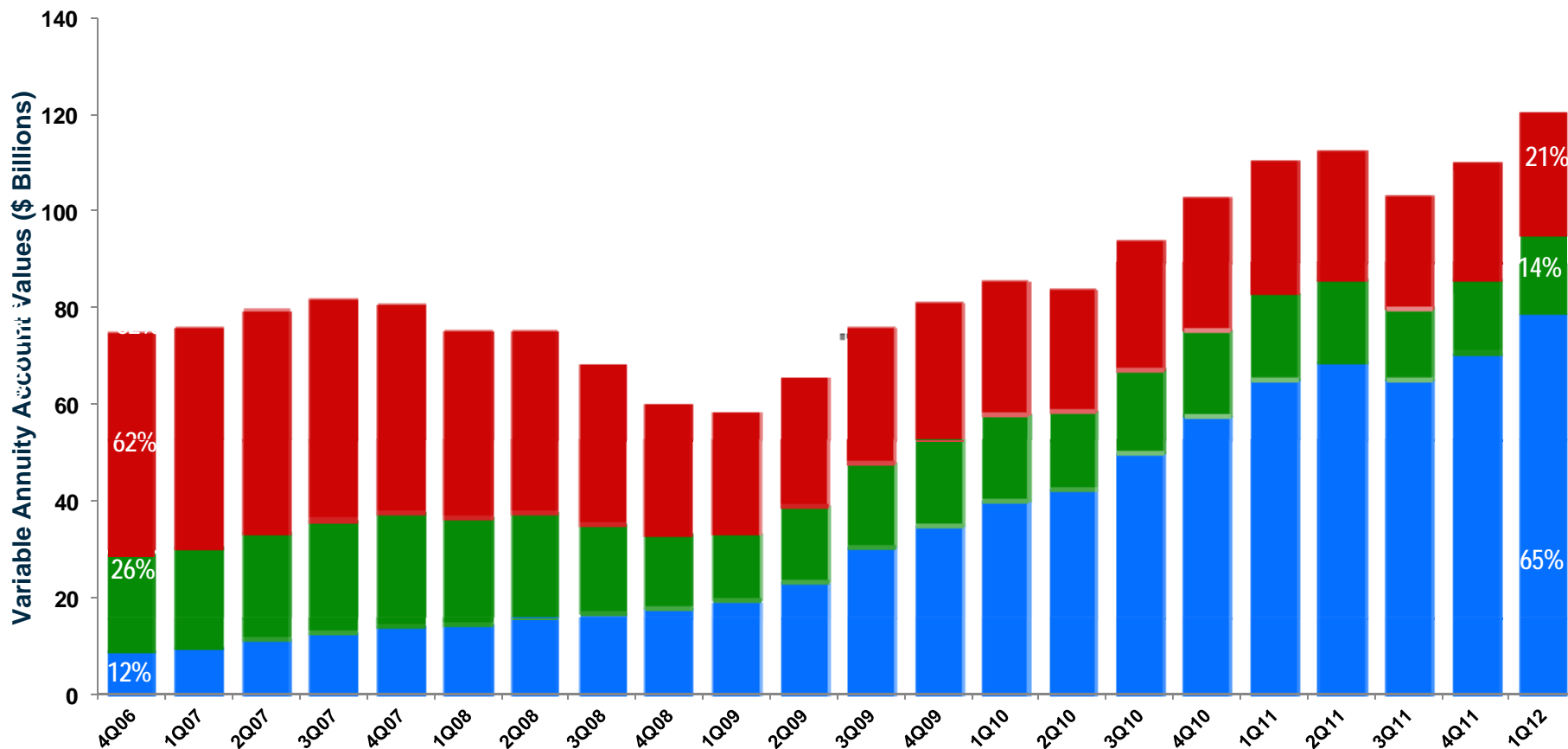


1) In millions; includes variable and fixed annuities.

Improving Risk Profile

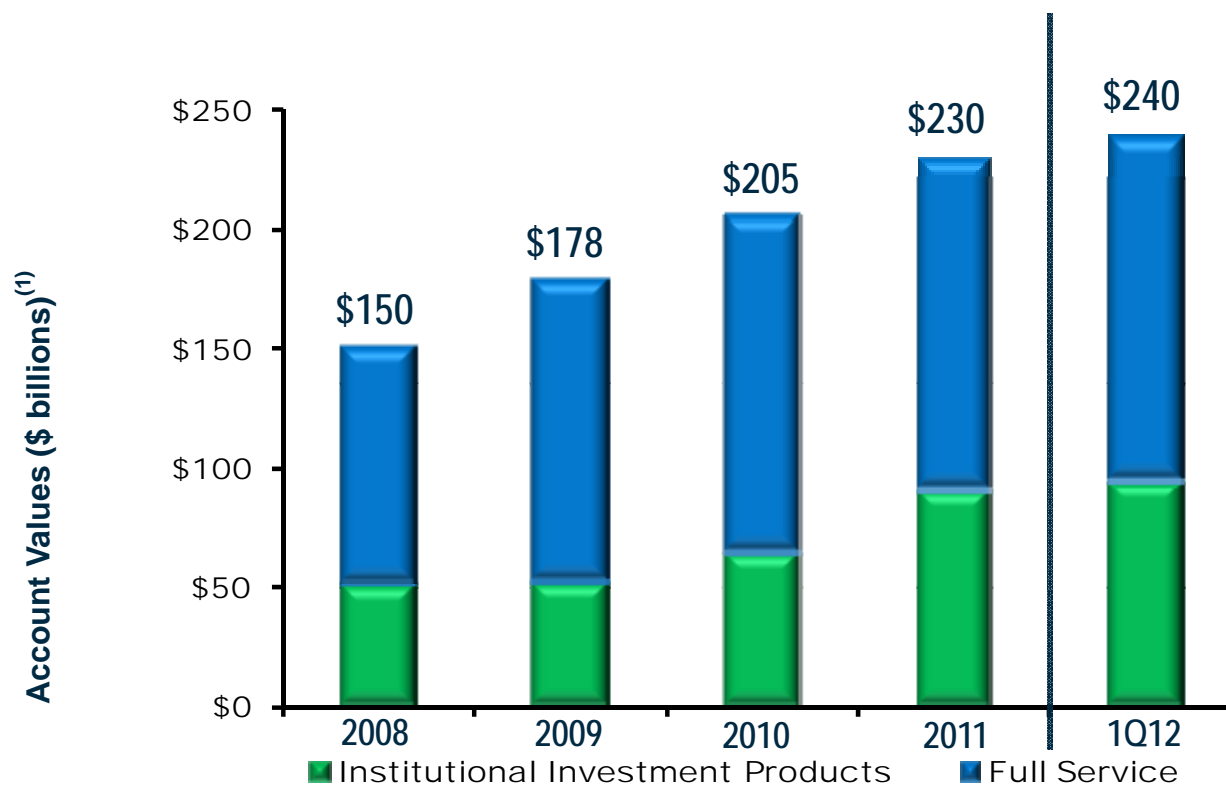


The accelerated growth in our overall block has increased the percentage of account values with auto-rebalancing, which will continue to improve the level and volatility of returns.



- Account Values with Living Benefits with Auto-Rebalancing feature
- Account Values with Living Benefits without Auto-Rebalancing feature
- Account Values without any Living Benefit options

Prudential Retirement Account Values

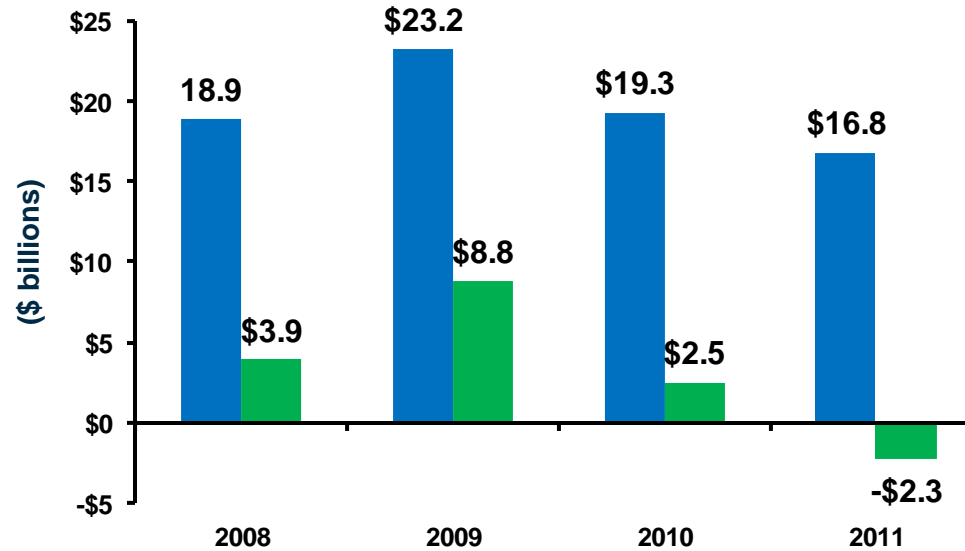


1) Includes acquired businesses from dates of acquisitions; as of end of period.

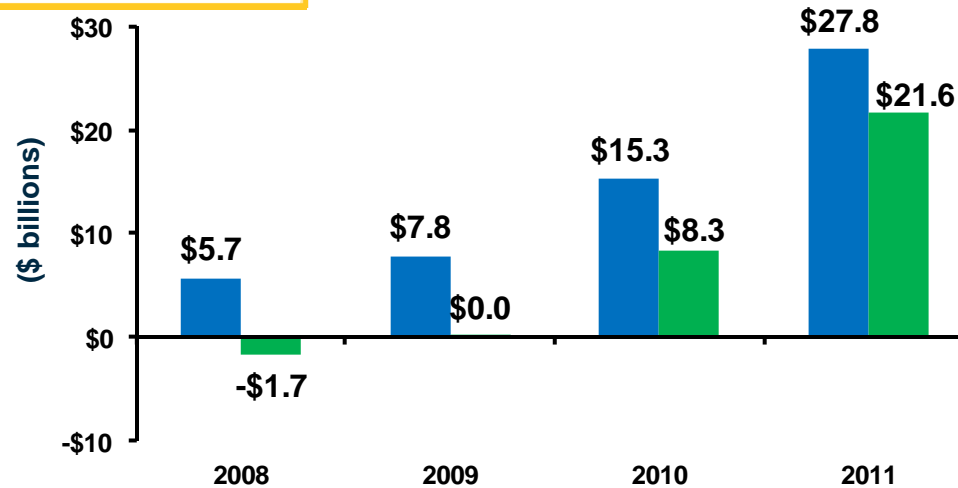
Prudential Retirement Asset Flows



Full Service



Institutional Investment Products



■ Gross Deposits and Sales ■ Net Flows

Prudential Asset Management Competitive Advantages



**Experience and
Track Record**

**Breadth and Depth
of Capabilities**

**Access to Capital
and Co-investing**

**Brand and
Reputation**

Scale



Third Party Clients

- \$320 billion third party AUM⁽¹⁾
- 12% AUM CAGR (2006 – 2011)

Manager Continuity⁽²⁾

- 219 portfolio managers
- Average tenure 14 years

1) As of March 31, 2012; AUM excludes affiliated institutional and retail assets under management.

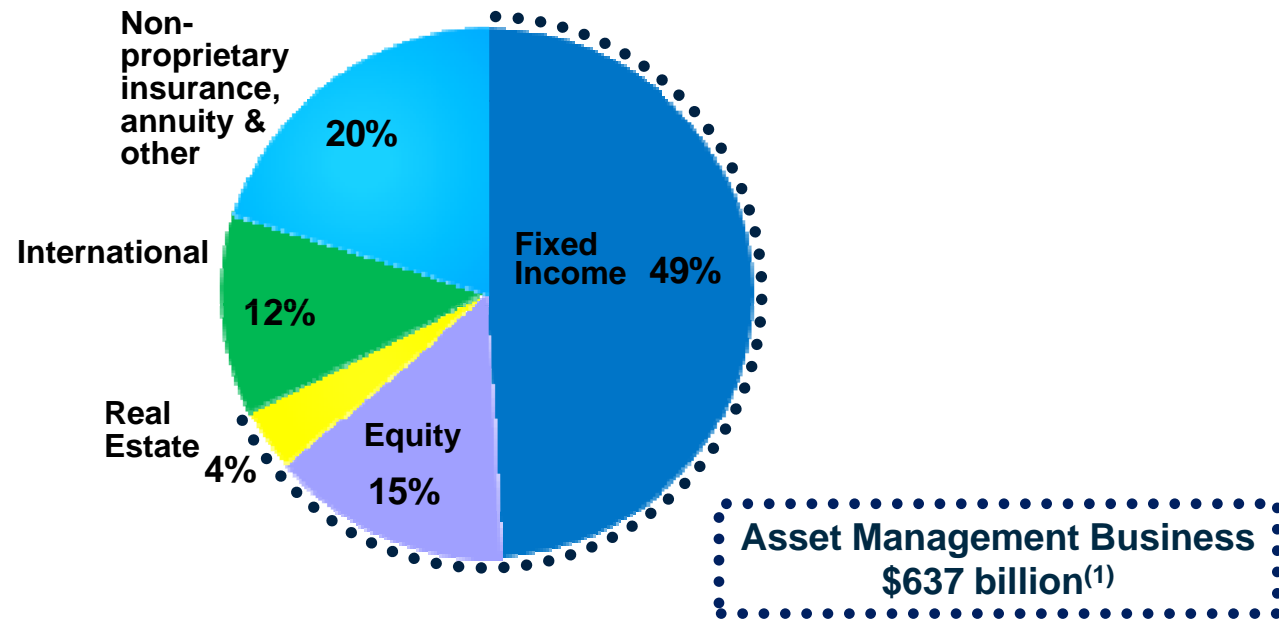
2) As of December 31, 2011.

Prudential Financial's AUM Significant Scale and Breadth



Total AUM \$943 billion⁽¹⁾

AUM by Asset Type



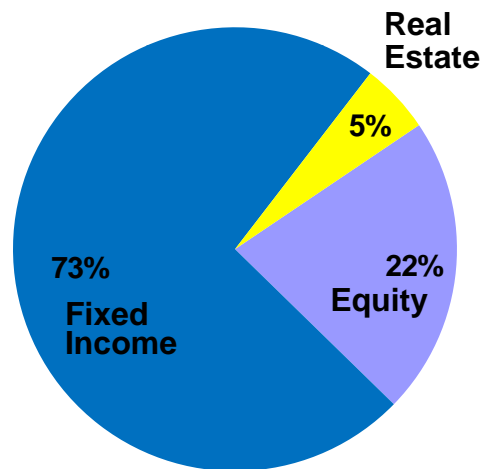
1) As of March 31, 2012

Asset Management An Integral Business

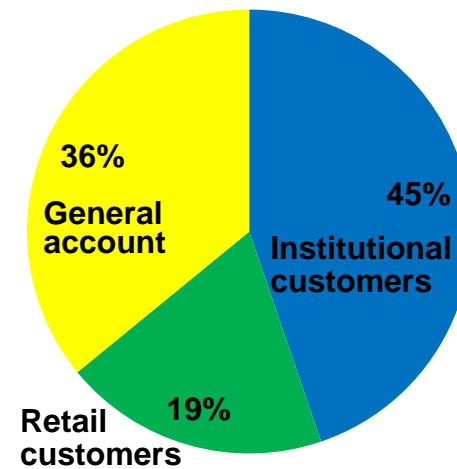


Total AUM \$637 billion⁽¹⁾

AUM by Asset Type



AUM by Client Type

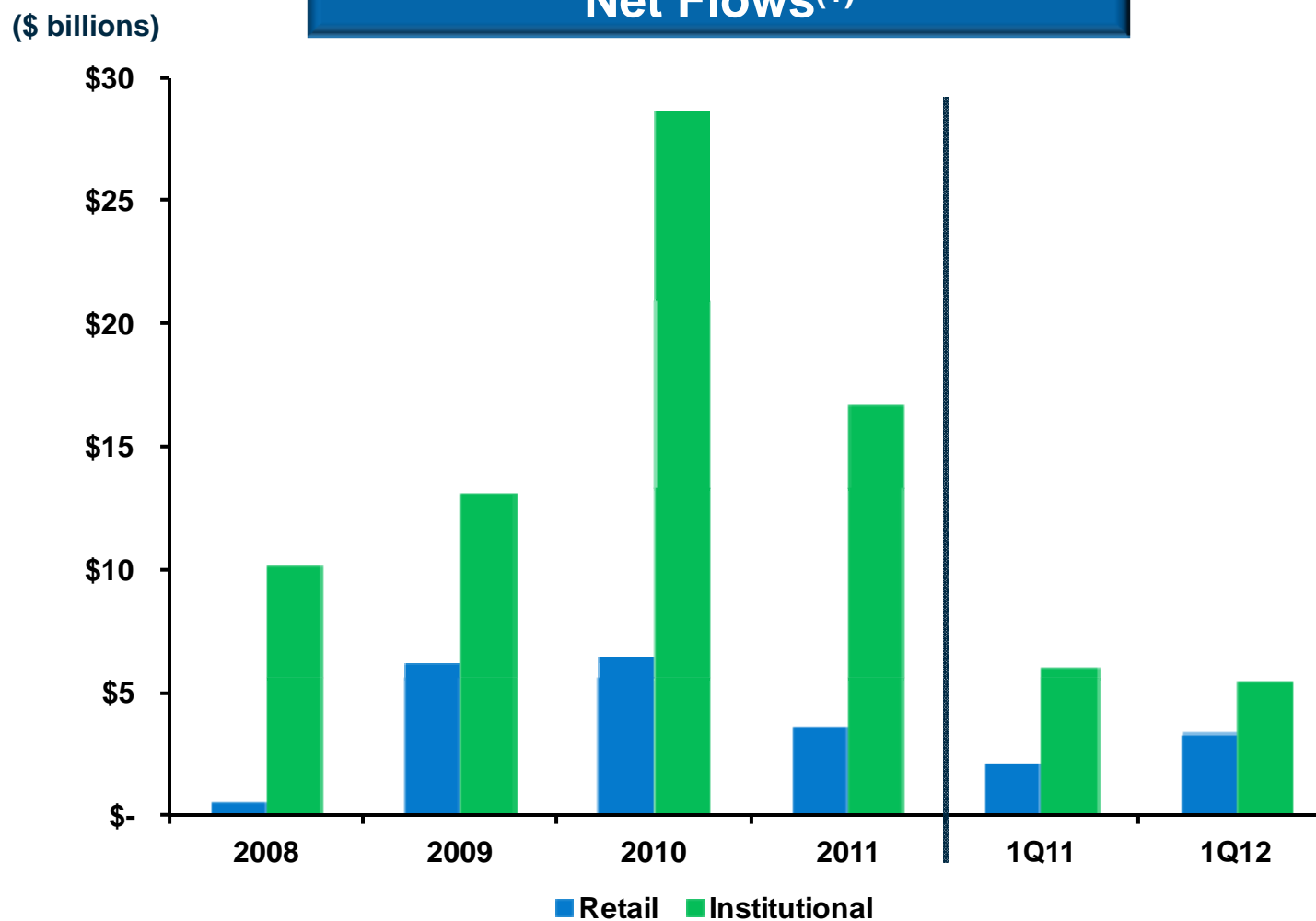


1) As of March 31, 2012.

Strong Asset Management Flows



Assets under Management Net Flows⁽¹⁾



1) Excluding money market activity.

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 ▪ Coordinated approach to product and distribution channel management ▪ Quality business: pricing and underwriting discipline ▪ Results largely uncorrelated to U.S. equity markets
Group Insurance	<ul style="list-style-type: none"> ▪ Client focus on stretching benefit dollars ▪ Optional life sales opportunities through worksites and associations 	<ul style="list-style-type: none"> ▪ Focus on appropriate returns: actively reprice group disability products ▪ Cultivate optional life sales ▪ Manage business for stable earnings and strong cash flows

U.S. Businesses Financial Performance



(\$ millions)	2008	2009	2010	2011	Three Months ended March 31, 2011	Three Months ended March 31, 2012
Adjusted operating income pre-tax:						
Individual Annuities	\$ (955)	\$ 672	\$ 950	\$ 662	\$ 274	\$ 421
Excluding disclosed items ⁽¹⁾			589	884	216	225
Retirement	535	491	565	594	172	156
Asset Management	232	55	487	659	154	121
Individual Life	463	514	482	482	98	112
Group Insurance	336	329	212	205	39	(38)
U.S. Businesses Total	\$ 611	\$ 2,061	\$ 2,696	\$ 2,602	\$ 737	\$ 772

1) Excludes market driven and other discrete items disclosed by the company including unlockings of deferred policy acquisition and other costs and reserves for guaranteed minimum death and income benefits. See "Reconciliation for Individual Annuities pre-tax adjusted operating income excluding disclosed items" within this presentation for further information.

Summary



- Balanced portfolio of good businesses with favorable growth and return prospects
- Strong sales and flows
- Strong capital and liquidity positions
- Risk management supports sustained financial strength
- Focus on talent and leadership at the highest levels
- Positioned for organic business growth and acquisition opportunities as well as returning capital to investors
- Financial performance: expect to be a leader among our peers



Questions and Answers

May 9, 2012

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