



PRUDENTIAL FINANCIAL, INC.

THIRD QUARTER 2015
EARNINGS CONFERENCE CALL PRESENTATION

NOVEMBER 5, 2015



THIRD QUARTER FINANCIAL HIGHLIGHTS⁽¹⁾



	Third Quarter	
	2015	2014
Pre-Tax Adjusted Operating Income (AOI)		
Reported	\$ 1,463	\$ 1,353
Market driven and discrete items ⁽²⁾	(84)	(244)
Excluding market driven and discrete items	\$ 1,547	\$ 1,597
Earnings Per Share (EPS)		
Reported	\$ 2.40	\$ 2.20
Market driven and discrete items ⁽²⁾	(0.12)	(0.34)
Excluding market driven and discrete items	\$ 2.52	\$ 2.54
Net Income		
Reported	\$ 1,465	\$ 465
Book Value Per Share of Common Stock		
	September 30, 2015	December 31, 2014
Reported (including Accumulated Other Comprehensive Income, "AOCI")	\$ 93.87	\$ 88.80
Excluding AOCI and adjusted to remove amounts included for foreign currency exchange rate remeasurement	\$ 73.19	\$ 64.75
Operating Return on Average Equity⁽³⁾		
	Year to Date September 30, 2015	2014
Reported	15.7%	15.3%
Excluding impact of market driven and discrete items on AOI⁽²⁾	15.2%	16.2%

- 1) Amounts attributable to Prudential Financial, Inc. (PFI); represents results of Financial Services Businesses for periods prior to first quarter 2015. Dollar amounts in millions except per share amounts. Per share amounts on diluted basis.
- 2) Market driven and discrete items as disclosed on pages 3 and 24; based on application of 35% tax rate for EPS and operating return on average equity.
- 3) Annualized; based on after-tax adjusted operating income. Gives effect to direct equity adjustment for earnings per share calculation for periods prior to first quarter 2015. Based on average attributed equity excluding accumulated other comprehensive income and adjusted to remove amounts included for foreign currency exchange rate remeasurement.

IMPACT OF MARKET DRIVEN AND DISCRETE ITEMS



	Third Quarter			
	2015		2014	
	Pre-tax Adjusted Operating Income ⁽¹⁾	Earnings Per Share ⁽²⁾	Pre-tax Adjusted Operating Income ⁽¹⁾	Earnings Per Share ⁽²⁾
Reported Results⁽³⁾	\$ 1,463	\$ 2.40	\$ 1,353	\$ 2.20
Market driven and discrete items:				
Individual Annuities - Primarily market unlockings and experience true-ups ⁽⁴⁾	(104)	(0.15)	(50)	(0.07)
Retirement - Reserve refinements	20	0.03	-	-
Annual review of actuarial assumptions ⁽⁵⁾	-	-	(186)	(0.26)
Individual Life - Integration costs for Hartford Life acquisition	-	-	(8)	(0.01)
Subtotal	(84)	(0.12)	(244)	(0.34)
Results excluding market driven and discrete items	\$ 1,547	\$ 2.52	\$ 1,597	\$ 2.54

- 1) In millions.
- 2) Diluted; based on after-tax adjusted operating income; tax effect for market driven and discrete items at 35%. Favorable updates of the effective tax rate applicable to adjusted operating income contributed approximately 5 cents and 8 cents per Common Share to results for the third quarters of 2015 and 2014, respectively.
- 3) Represents results of Financial Services Businesses for periods prior to first quarter 2015.
- 4) Includes adjustments to reflect updated estimates of profitability based on market performance in relation to our assumptions in each period and charge for potential contract cancellations in third quarter 2015.
- 5) Includes refinements of reserves and amortization of deferred policy acquisition and other costs. Annual review for 2015 was completed in second quarter.

THIRD QUARTER NON-AOI ITEMS⁽¹⁾



(\$ millions)

	Third Quarter	
	2015	2014
Pre-tax realized investment gains (losses), net, and related charges and adjustments included in net income:		
Changes in market value of derivatives used in risk management activities including asset/liability duration management	\$ 304	\$ 325
General investment portfolio and related activities	295	126
Product related embedded derivatives and hedging activities	69	(970)
Foreign currency exchange rate remeasurement	(64)	(576)
Impairments and credit losses	(166)	(37)
Subtotal	\$ 438	\$ (1,132)
Other Non-AOI pre-tax items:		
Results of divested businesses	116	(7)
Other ⁽²⁾	30	(38)
Subtotal	\$ 146	\$ (45)
Total Non-AOI items⁽³⁾	\$ 584	\$ (1,177)

1) Certain prior period items have been reclassified to conform to current period presentation.

2) Includes changes in recorded asset values and liabilities representing changes in value which are expected to ultimately accrue to contractholders, primarily from mark to market adjustments. Excludes pre-tax reconciling item between AOI and U.S. GAAP for equity in earnings of operating joint ventures and earnings attributable to non-controlling interests.

3) See earnings release tables for related tax effect.

U.S. RETIREMENT SOLUTIONS AND INVESTMENT MANAGEMENT DIVISION – INDIVIDUAL ANNUITIES

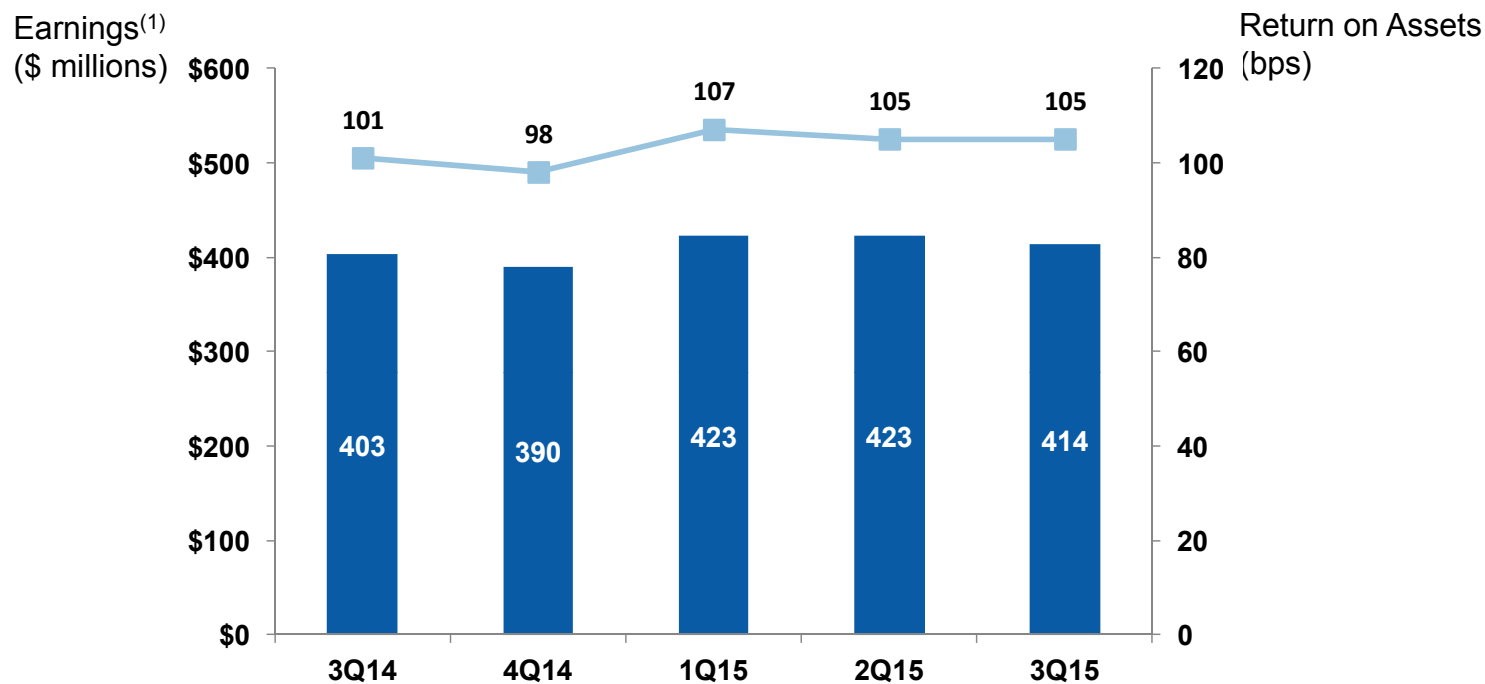


(\$ millions)

	Individual Annuities	Retirement	Asset Management
Third Quarter 2015			
Reported pre-tax adjusted operating income	\$ 310	\$ 242	\$ 180
Market driven and discrete items ⁽¹⁾	(104)	20	-
Excluding impact of market driven and discrete items	\$ 414	\$ 222	\$ 180
Third Quarter 2014			
Reported pre-tax adjusted operating income	\$ 367	\$ 256	\$ 200
Market driven and discrete items ⁽¹⁾	(36)	(13)	-
Excluding impact of market driven and discrete items	\$ 403	\$ 269	\$ 200

1) Market driven and discrete items as disclosed on page 3 including amounts encompassed in annual review of actuarial assumptions for third quarter 2014.

INDIVIDUAL ANNUITIES – EARNINGS AND RETURN ON ASSETS



Average Account Values (\$ billions)	3Q14	4Q14	1Q15	2Q15	3Q15
	\$158.8	\$157.5	\$160.0	\$161.9	\$156.2

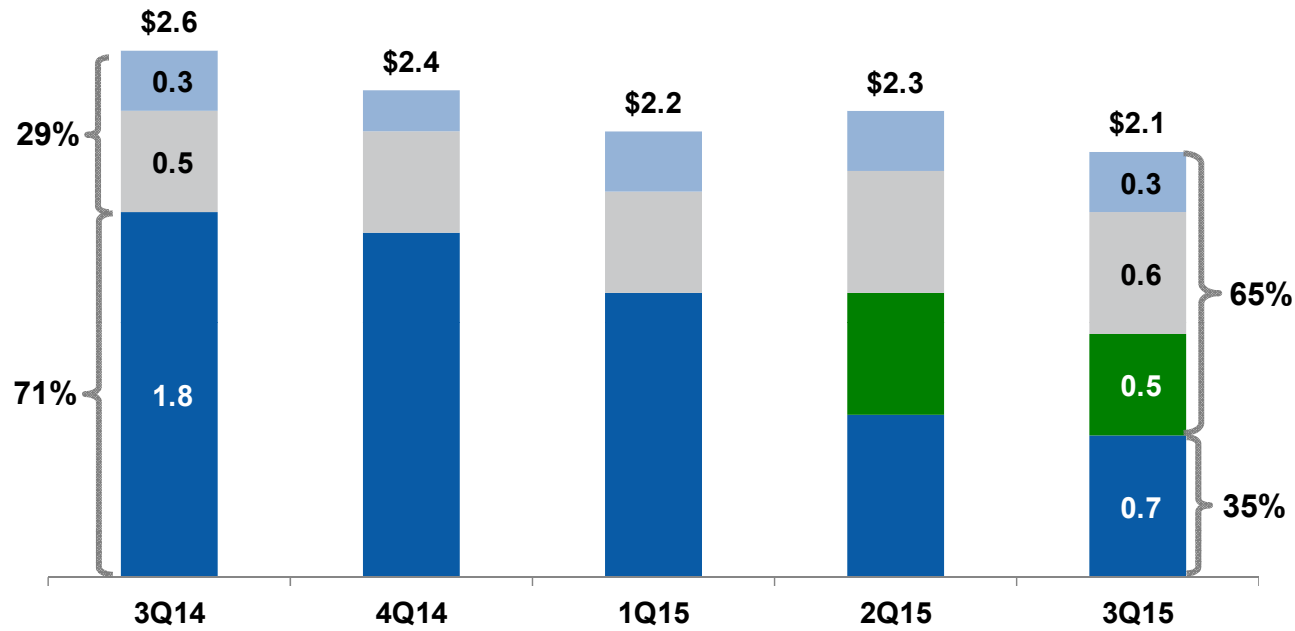
AOI excluding market driven and discrete items
 Return on Assets (ROA)⁽²⁾

- 1) Pre-tax AOI excluding market driven and discrete items as disclosed on page 25.
- 2) Annualized pre-tax AOI excluding market driven and discrete items divided by average account values based on daily averages for separate accounts.

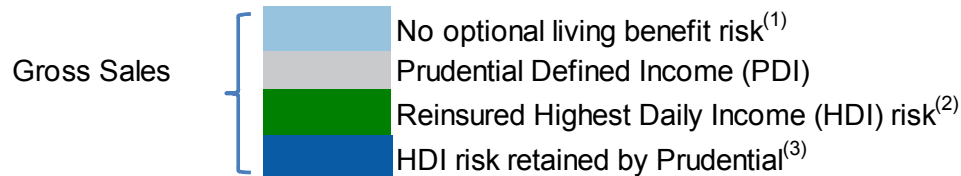
INDIVIDUAL ANNUITIES – SALES AND PRODUCT MIX



Gross Sales (\$ billions)



Net Sales (\$ millions)	3Q14	4Q14	1Q15	2Q15	3Q15
	\$392	\$193	\$31	\$138	\$128



- 1) Includes Prudential Premier Investment contracts, and other annuities without optional living benefit guarantees.
- 2) Includes portion of account values for certain variable annuities for which living benefits are covered under an external reinsurance agreement.
- 3) Includes predecessor product optional living benefits.

U.S. RETIREMENT SOLUTIONS AND INVESTMENT MANAGEMENT DIVISION – RETIREMENT



(\$ millions)

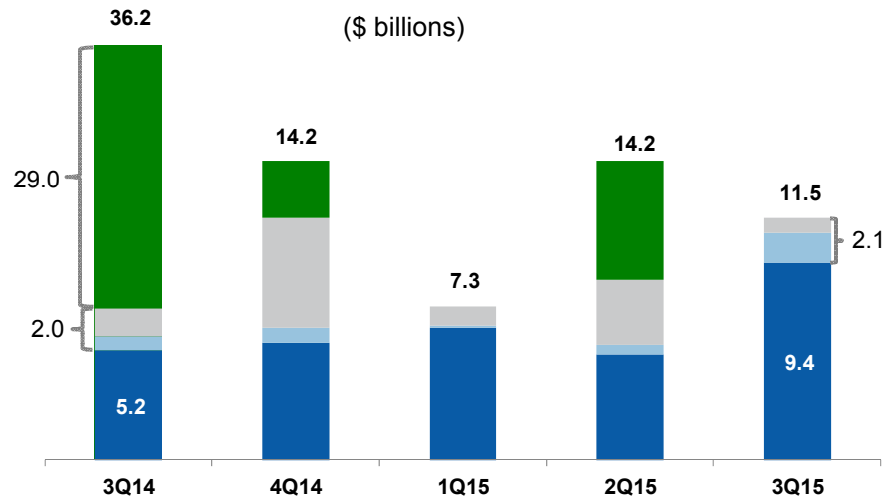
	Individual Annuities	Retirement	Asset Management
Third Quarter 2015			
Reported pre-tax adjusted operating income	\$ 310	\$ 242	\$ 180
Market driven and discrete items ⁽¹⁾	(104)	20	-
Excluding impact of market driven and discrete items	\$ 414	\$ 222	\$ 180
Third Quarter 2014			
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Market driven and discrete items ⁽¹⁾	(36)	(13)	-
Excluding impact of market driven and discrete items	\$ 403	\$ 269	\$ 200

1) Market driven and discrete items as disclosed on page 3 including amounts encompassed in annual review of actuarial assumptions for third quarter 2014.

RETIREMENT – SALES AND ACCOUNT VALUES

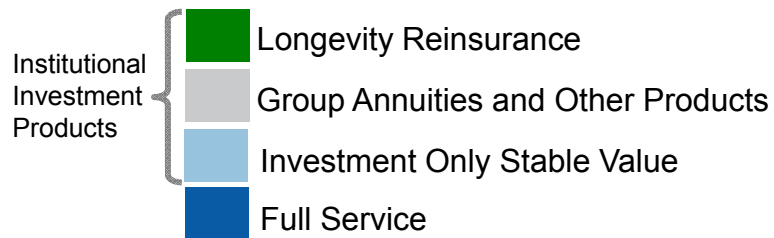
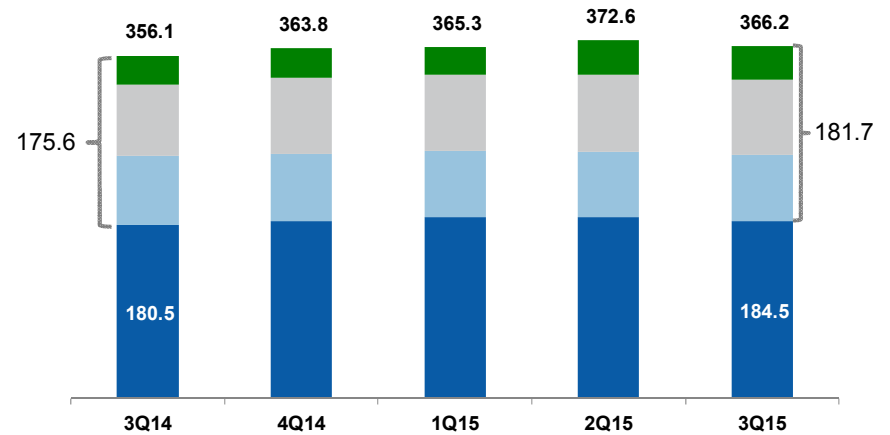


Gross Deposits and Sales



Account Values⁽¹⁾

(\$ billions)



1) At end of period.

U.S. RETIREMENT SOLUTIONS AND INVESTMENT MANAGEMENT DIVISION – ASSET MANAGEMENT



(\$ millions)

	Individual Annuities		Retirement	Asset Management		
Third Quarter 2015						
Reported pre-tax adjusted operating income	\$	310	\$	242	\$	180
Market driven and discrete items ⁽¹⁾		(104)		20		-
Excluding impact of market driven and discrete items	\$	414	\$	222	\$	180
Third Quarter 2014						
Reported pre-tax adjusted operating income	\$	367	\$	256	\$	200
Market driven and discrete items ⁽¹⁾		(36)		(13)		-
Excluding impact of market driven and discrete items	\$	403	\$	269	\$	200

1) Market driven and discrete items as disclosed on page 3 including amounts encompassed in annual review of actuarial assumptions for third quarter 2014.

U.S. INDIVIDUAL LIFE AND GROUP INSURANCE DIVISION – INDIVIDUAL LIFE



(\$ millions)

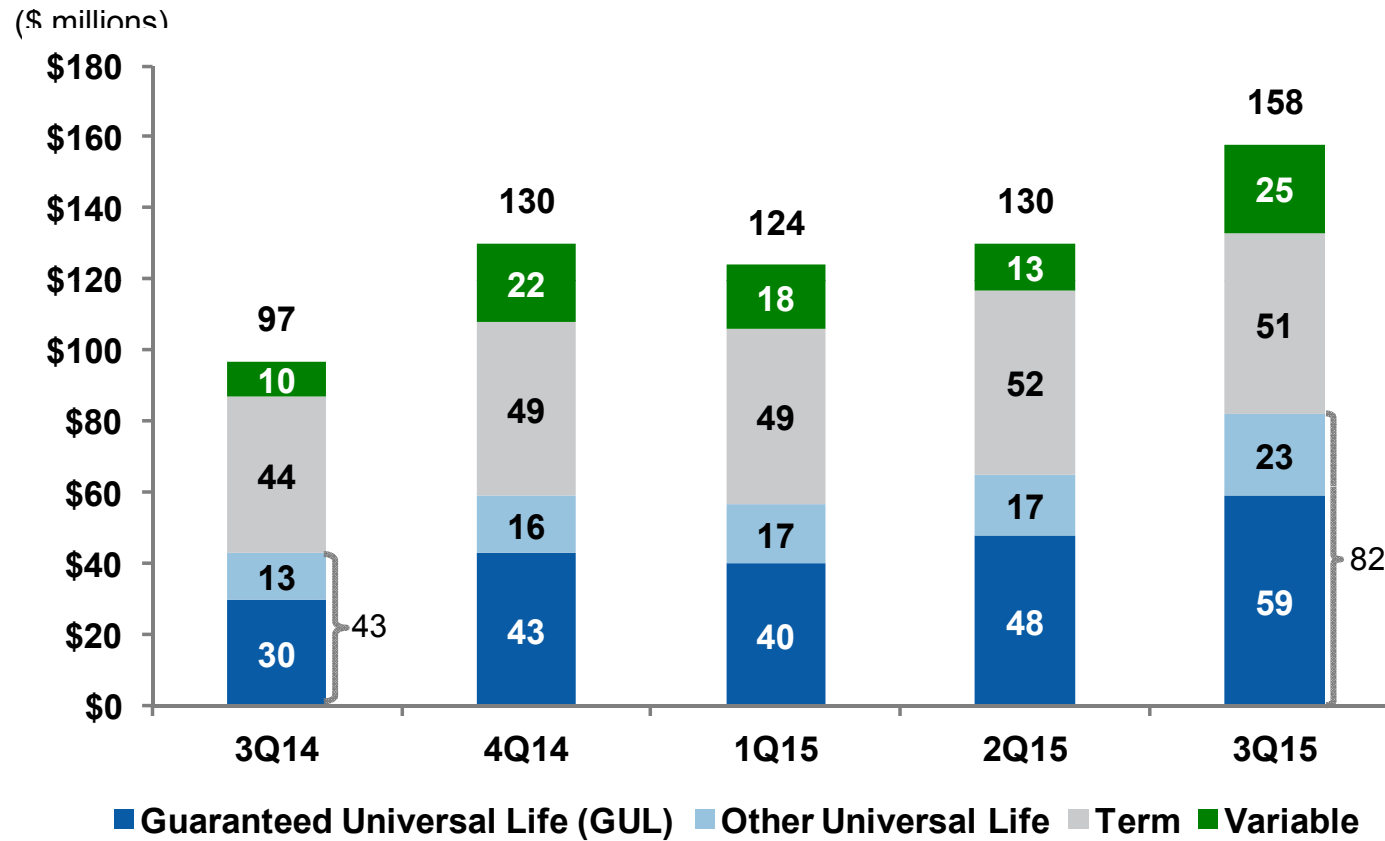
	Individual Life	Group Insurance
Third Quarter 2015		
Reported pre-tax adjusted operating income	\$ 183	\$ 44
Market driven and discrete items ⁽¹⁾	-	-
Excluding impact of market driven and discrete items	\$ 183	\$ 44
Third Quarter 2014		
Reported pre-tax adjusted operating income	\$ 97	\$ (73)
Market driven and discrete items ⁽¹⁾	(71)	(107)
Excluding impact of market driven and discrete items	\$ 168	\$ 34

1) Market driven and discrete items as disclosed on page 3 including amounts encompassed in annual review of actuarial assumptions for third quarter 2014.

INDIVIDUAL LIFE – SALES TREND



Annualized New Business Premiums



U.S. INDIVIDUAL LIFE AND GROUP INSURANCE DIVISION – GROUP INSURANCE

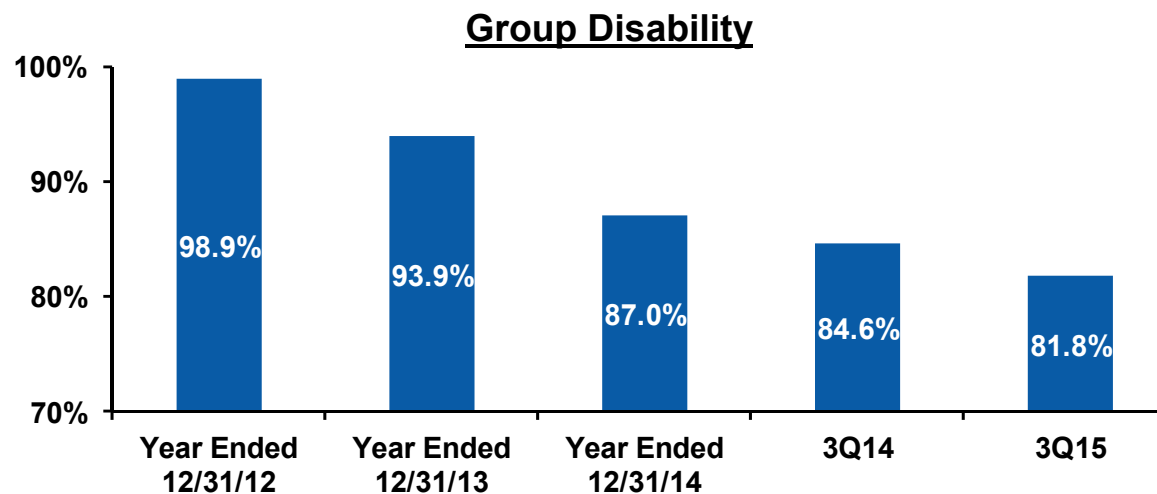
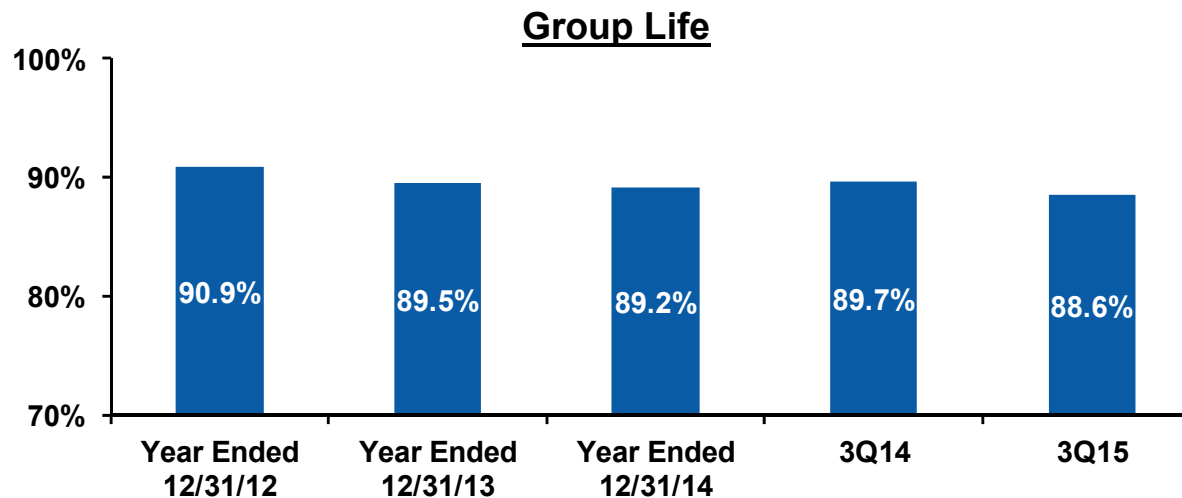


(\$ millions)

	Individual Life	Group Insurance
Third Quarter 2015		
Reported pre-tax adjusted operating income	\$ 183	\$ 44
Market driven and discrete items ⁽¹⁾	-	-
Excluding impact of market driven and discrete items	\$ 183	\$ 44
Third Quarter 2014		
Reported pre-tax adjusted operating income	\$ 97	\$ (73)
Market driven and discrete items ⁽¹⁾	(71)	(107)
Excluding impact of market driven and discrete items	\$ 168	\$ 34

1) Market driven and discrete items as disclosed on page 3 including amounts encompassed in annual review of actuarial assumptions for third quarter 2014.

GROUP INSURANCE – BENEFITS RATIO TRENDS⁽¹⁾



1) Benefits ratios excluding impact of market driven and discrete items as disclosed on page 26.

INTERNATIONAL INSURANCE DIVISION – LIFE PLANNER OPERATIONS



(\$ millions)

	Life Planner Operations	Gibraltar Life & Other Operations
Third Quarter 2015		
Reported pre-tax adjusted operating income	\$ 398	\$ 414
Market driven and discrete items ⁽¹⁾	-	-
Excluding impact of market driven and discrete items	\$ 398	\$ 414
Third Quarter 2014		
Reported pre-tax adjusted operating income	\$ 414	\$ 431
Market driven and discrete items ⁽¹⁾	17	(15)
Excluding impact of market driven and discrete items	\$ 397	\$ 446

1) Market driven and discrete items as disclosed on page 3 including amounts encompassed in annual review of actuarial assumptions for third quarter 2014.

INTERNATIONAL INSURANCE DIVISION – GIBRALTAR LIFE & OTHER OPERATIONS

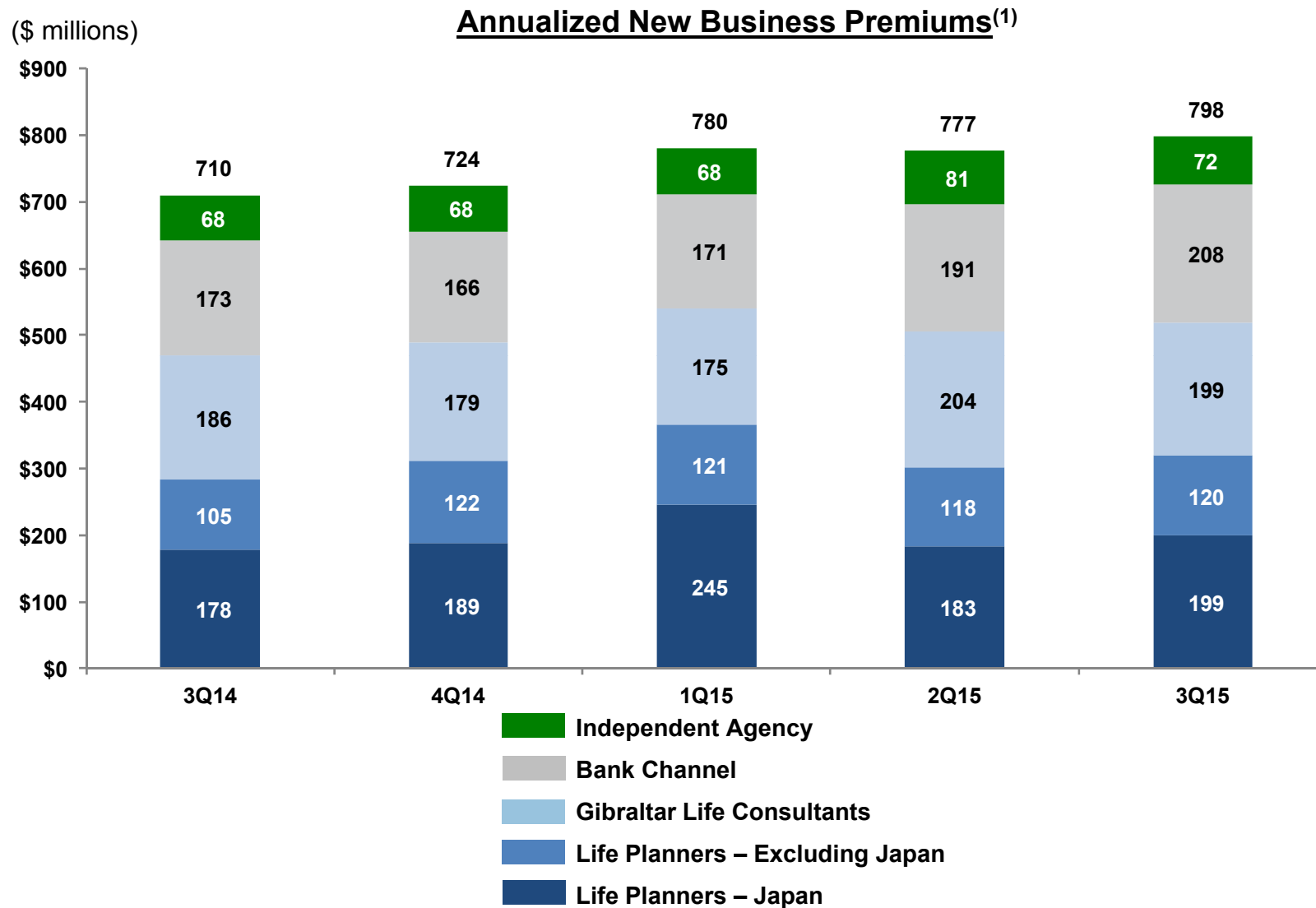


(\$ millions)

	Life Planner Operations	Gibraltar Life & Other Operations
Third Quarter 2015		
Reported pre-tax adjusted operating income	\$ 398	\$ 414
Market driven and discrete items ⁽¹⁾	-	-
Excluding impact of market driven and discrete items	\$ 398	\$ 414
Third Quarter 2014		
Reported pre-tax adjusted operating income	\$ 414	\$ 431
Market driven and discrete items ⁽¹⁾	17	(15)
Excluding impact of market driven and discrete items	\$ 397	\$ 446

1) Market driven and discrete items as disclosed on page 3 including amounts encompassed in annual review of actuarial assumptions for third quarter 2014.

INTERNATIONAL INSURANCE – SALES TREND



1) Foreign denominated activity translated to U.S. dollars at uniform exchange rates for all periods presented, including Japanese yen 91 per U.S. dollar, and Korean won 1,120 per U.S. dollar. U.S. dollar-denominated activity is included based on the amounts as transacted in U.S. dollars.

CORPORATE & OTHER OPERATIONS



(\$ millions)

	Third Quarter	
	2015	2014
Reported pre-tax adjusted operating income (loss)	\$ (308)	\$ (339)
Market driven and discrete items ⁽¹⁾	-	(19)
Excluding impact of market driven and discrete items	\$ (308)	\$ (320)

1) Market driven and discrete items as disclosed on page 3 including amounts encompassed in annual review of actuarial assumptions for third quarter 2014.

FINANCIAL STRENGTH AND FLEXIBILITY HIGHLIGHTS INSURANCE OPERATIONS



Risk Based Capital Ratio (RBC) ⁽¹⁾	Target	December 31, 2014
		498%
Prudential Insurance	400%	Estimated September 30, 2015
		Well Above Target

Solvency Margin Ratio	Target	June 30, 2015
Prudential of Japan ⁽²⁾	600% - 700%	853%
Gibraltar Life ⁽²⁾⁽³⁾	600% - 700%	927%

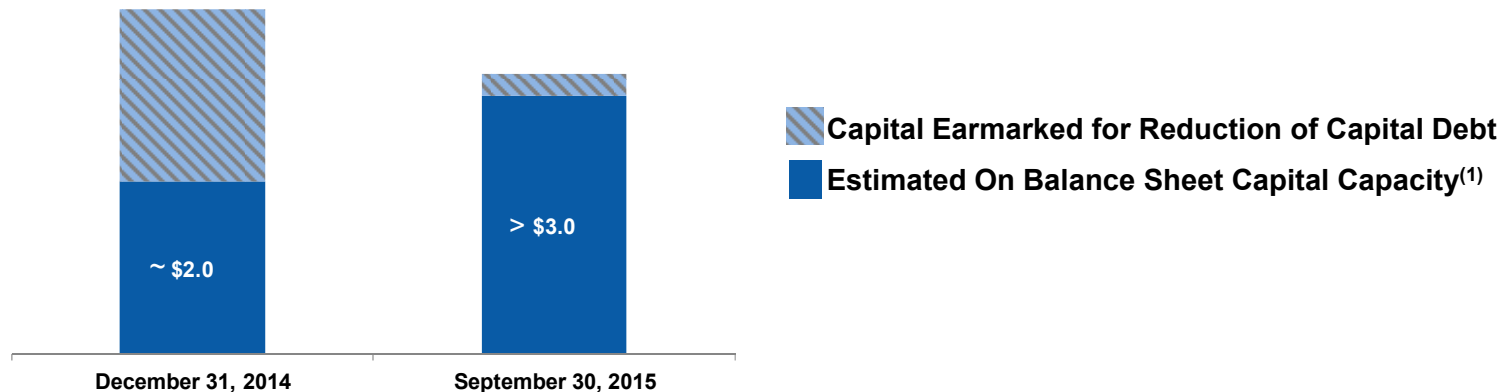
- 1) The inclusion of RBC measures is intended solely for the information of investors and is not intended for the purpose of ranking any insurance company or for use in connection with any marketing, advertising or promotional activities.
- 2) Based on Japanese statutory accounting and risk measurement standards applicable to regulatory filings.
- 3) Gibraltar consolidated basis.

FINANCIAL STRENGTH AND FLEXIBILITY HIGHLIGHTS ON BALANCE SHEET CAPITAL CAPACITY AND LIQUIDITY POSITION



Estimated On Balance Sheet Capital Capacity

(\$ billions)



Leverage Ratios:		
Financial Leverage (based on capital debt) ⁽²⁾	29.3%	25.5%
Total Leverage (based on total debt) ⁽³⁾	45.1%	42.8%

Parent Company Cash and Short-Term Investments ⁽⁴⁾	\$4.2 billion	\$4.2 billion
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- 1) Based on targeted RBC ratio of 400% for Prudential Insurance and equivalent levels of capital at other insurance operating entities. Gives pro-forma effect to a targeted 25% financial leverage ratio for periods with actual ratios in excess of target. Represents the former Financial Services Businesses for December 31, 2014.
- 2) Represents capital debt divided by sum of capital debt and equity. Junior subordinated debt treated as 25% equity, 75% capital debt for purposes of calculation. Equity includes non-controlling interest and excludes AOCI, impact of foreign currency exchange rate remeasurement, and non-performance risk adjustment, net of deferred policy acquisition costs.
- 3) Represents total debt divided by sum of total debt and equity. Equity includes non-controlling interest and excludes AOCI, impact of foreign currency exchange rate remeasurement, and non-performance risk adjustment, net of deferred policy acquisition costs.
- 4) Net of outstanding commercial paper and cash held in an intra-company liquidity account at PFI.



PRUDENTIAL FINANCIAL, INC.

THIRD QUARTER 2015
EARNINGS CONFERENCE CALL PRESENTATION

QUESTIONS AND ANSWERS

NOVEMBER 5, 2015



FORWARD-LOOKING STATEMENTS AND NON-GAAP MEASURE



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. Certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements can be found in the “Risk Factors” section included in Prudential Financial, Inc.’s Annual Report on Form 10-K for the year ended December 31, 2014. Prudential Financial, Inc. does not intend, and is under no obligation, to update any particular forward-looking statement included in this presentation.

This presentation also includes references to “adjusted operating income” and return on equity, which is based on adjusted operating income. Adjusted operating income is a measure of performance that is not calculated based on accounting principles generally accepted in the United States of America (GAAP). For additional information about adjusted operating income and the comparable GAAP measure, including a reconciliation between the two, please refer to our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, which are available on our Web site at www.investor.prudential.com. A reconciliation is also included as part of this presentation.

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

RECONCILIATIONS BETWEEN ADJUSTED OPERATING INCOME AND THE COMPARABLE GAAP MEASURE



(\$ millions)

	Third Quarter	
	2014	2015
After-tax adjusted operating income (1)	\$ 1,034	\$ 1,110
Reconciling items:		
Realized investment gains (losses), net, and related charges and adjustments	(1,132)	438
Investment gains (losses) on trading account assets supporting insurance liabilities, net	(131)	(228)
Change in experience-rated contractholder liabilities due to asset value changes	93	258
Divested businesses:		
Closed Block division	-	108
Other divested businesses	(7)	8
Equity in earnings of operating joint ventures and earnings attributable to noncontrolling interests	8	2
Total reconciling items, before income taxes	(1,169)	586
Income taxes, not applicable to adjusted operating income	(606)	231
Total reconciling items, after income taxes	(563)	355
Income from continuing operations (after-tax)		
before equity in earnings of operating joint ventures (1)	471	1,465
Equity in earnings of operating joint ventures, net of taxes and earnings attributable to noncontrolling interests	(6)	-
Income from continuing operations attributable to Prudential Financial, Inc. (1)	465	1,465
Earnings attributable to noncontrolling interests	11	2
Income from continuing operations (after-tax) (1)	476	1,467
Income from discontinued operations, net of taxes	-	-
Net income (1)	476	1,467
Less: Income attributable to noncontrolling interests	11	2
Net income attributable to Prudential Financial, Inc. (1)	\$ 465	\$ 1,465

1) Represents results of Financial Services Businesses for periods prior to first quarter 2015.

RECONCILIATION FOR PRE-TAX ADJUSTED OPERATING INCOME EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS



	Year to Date September 30,			
	2015		2014	
	Pre-tax Adjusted Operating Income ⁽¹⁾	Earnings Per Share ⁽²⁾	Pre-tax Adjusted Operating Income ⁽¹⁾	Earnings Per Share ⁽²⁾
Reported Results⁽³⁾	\$ 5,049	\$ 8.09	\$ 4,547	\$ 7.09
Market driven and discrete items:				
Annual review of actuarial assumptions and reserve refinements ⁽⁴⁾	137	0.20	(202)	(0.28)
Individual Annuities - Primarily market unlockings and experience true-ups ⁽⁵⁾	96	0.13	(75)	(0.11)
Individual Life - Integration costs for Hartford Life acquisition	(17)	(0.02)	(24)	(0.03)
Subtotal	216	0.31	(301)	(0.42)
Results excluding market driven and discrete items	\$ 4,833	\$ 7.78	\$ 4,848	\$ 7.51

1) In millions.

2) Diluted; based on after-tax adjusted operating income; tax effect for market driven and discrete items at 35%.

3) Represents results of Financial Services Businesses for periods prior to first quarter 2015.

4) Includes amortization of deferred policy acquisition and other costs.

5) Includes adjustments to reflect updated estimates of profitability based on market performance in relation to our assumptions in each period and charge for potential contract cancellations in 2015.

RECONCILIATION FOR INDIVIDUAL ANNUITIES PRE-TAX ADJUSTED OPERATING INCOME EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS



(\$ millions)

	3Q14	4Q14	1Q15	2Q15	3Q15
Individual Annuities pre-tax adjusted operating income	\$ 367	\$ 322	\$ 529	\$ 548	\$ 310
Reconciling items:					
Primarily market unlockings and experience true-ups ⁽¹⁾	(50)	(68)	106	94	(104)
Annual review of actuarial assumptions ⁽²⁾	14	-	-	31	-
Subtotal	(36)	(68)	106	125	(104)
Individual Annuities pre-tax adjusted operating income excluding market driven and discrete items	\$ 403	\$ 390	\$ 423	\$ 423	\$ 414

- 1) Includes adjustments to reflect updated estimates of profitability based on market performance in relation to our assumptions in each period and charge for potential contract cancellations in third quarter 2015.
- 2) Includes refinements of reserves and amortization of deferred policy acquisition and other costs.

RECONCILIATION FOR GROUP INSURANCE PRE-TAX ADJUSTED OPERATING INCOME EXCLUDING MARKET DRIVEN AND DISCRETE ITEMS



(\$ millions)

	Year Ended 12/31/12	Year Ended 12/31/13	Year Ended 12/31/14	3Q14	3Q15
Group Insurance pre-tax adjusted operating income	\$ 16	\$ 157	\$ 23	\$ (73)	\$ 44
Reconciling items:					
Annual review of actuarial assumptions ⁽¹⁾	7	45	(107)	(107)	-
Increase to legal reserves	(20)	-	-	-	-
Subtotal	(13)	45	(107)	(107)	-
Group Insurance pre-tax adjusted operating income excluding market driven and discrete items	\$ 29	\$ 112	\$ 130	\$ 34	\$ 44

1) Includes refinements of reserves and amortization of deferred policy acquisition and other costs.