

Prudential Financial

Prudential Financial, Inc. (PRU)

Quarterly Financial Supplement

FINANCIAL SERVICES BUSINESSES
THIRD QUARTER 2005

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.

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Revenues and expenses as reported herein for earlier periods reflect certain reclassifications to conform to current reporting practices. In addition, certain ratios impacted by the reclassification have been updated as well.

FINANCIAL HIGHLIGHTS
(in millions, except per share data)

Year-to-date		% Change	2004		2005				
2005	2004		3Q	4Q	1Q	2Q	3Q		
Financial Services Businesses:									
Pre-tax adjusted operating income by division:									
862	694	24%	245	297	255	266	341		
711	244	191%	76	111	304	150	257		
1,042	750	39%	260	253	311	347	384		
123	140	-12%	54	18	16	60	47		
2,738	1,828	50%	635	679	886	823	1,029		
830	481	73%	168	195	285	253	292		
1,908	1,347	42%	467	484	601	570	737		
Financial Services Businesses after-tax adjusted operating income									
Items excluded from adjusted operating income:									
565	182	210%	38	(158)	236	249	80		
(34)	(64)	47%	208	21	(130)	193	(97)		
(17)	33	-152%	(100)	(44)	86	(148)	45		
(5)	(34)	85%	(15)	10	(5)	1	(1)		
509	117	335%	131	(171)	187	295	27		
(484)	16	-3125%	36	(70)	21	67	(572)		
993	101	883%	95	(101)	166	228	599		
Income from continuing operations (after-tax) of Financial Services Businesses									
2,901	1,448	100%	562	383	767	798	1,336		
(59)	(33)	-79%	(15)	(66)	(1)	(44)	(14)		
-	21	-100%	1	-	-	-	-		
-	(79)	100%	-	-	-	-	-		
2,842	1,357	109%	548	317	766	754	1,322		
Earnings per share of Common Stock (diluted):									
3.76	2.65		0.93	0.96	1.18	1.13	1.46		
Financial Services Businesses after-tax adjusted operating income									
Items excluded from adjusted operating income:									
1.07	0.34		0.07	(0.30)	0.45	0.47	0.15		
(0.06)	(0.12)		0.40	0.04	(0.25)	0.37	(0.19)		
(0.03)	0.06		(0.19)	(0.08)	0.16	(0.28)	0.09		
(0.01)	(0.06)		(0.03)	0.01	(0.01)	-	-		
0.97	0.22		0.25	(0.33)	0.35	0.56	0.05		
(0.92)	0.03		0.07	(0.13)	0.04	0.13	(1.10)		
1.89	0.19		0.18	(0.20)	0.31	0.43	1.15		
Income from continuing operations (after-tax) of Financial Services Businesses									
5.65	2.84		1.11	0.76	1.49	1.56	2.61		
(0.11)	(0.06)		(0.03)	(0.12)	-	(0.08)	(0.02)		
-	0.04		-	-	-	-	-		
-	(0.15)		-	-	-	-	-		
5.54	2.67		1.08	0.64	1.49	1.48	2.59		
Net income of Financial Services Businesses									
524.5	532.5		525.7	527.3	530.0	525.2	518.3		
12.99%	10.08%		10.38%	10.46%	12.60%	11.75%	14.63%		
Reconciliation to Consolidated Net Income of Prudential Financial, Inc.:									
2,842	1,357		548	317	766	754	1,322		
334	321		180	261	163	129	42		
3,176	1,678		728	578	929	883	1,364		
63	64		22	20	22	22	19		

FINANCIAL HIGHLIGHTS
 (in millions, except per share data)

Year-to-date						
2005	2004	2004		2005		
		3Q	4Q	1Q	2Q	3Q
Financial Services Businesses Capitalization Data (1):						
		6,135	3,896	6,253	5,856	5,572
		5,708	5,877	5,981	6,984	7,053
Attributed Equity:						
		20,457	21,209	21,244	22,375	22,493
		18,987	19,561	20,008	20,311	21,025
		18,995	19,392	19,907	20,292	21,083
Total Capitalization:						
		26,165	27,086	27,225	29,359	29,546
		24,695	25,438	25,989	27,295	28,078
		24,703	25,269	25,888	27,276	28,136
Book value per share of Common Stock:						
		39.19	39.90	40.35	42.82	43.79
		36.37	36.80	38.00	38.87	40.94
		36.39	36.49	37.81	38.84	41.05
		522.0	531.5	526.5	522.5	513.6
Common Stock Price Range (based on closing price):						
68.30	48.11	48.10	55.09	59.32	66.30	68.30
52.62	41.05	44.30	42.87	52.62	55.23	63.09
67.56	47.04	47.04	54.96	57.40	65.66	67.56
		24,158	28,983	29,980	33,707	34,118
Common Stock market capitalization (1)						

(1) As of end of period.

OPERATIONS HIGHLIGHTS

Year-to-date						
2005	2004	2004		2005		
		3Q	4Q	1Q	2Q	3Q
Assets Under Management and Administration (\$ billions) (1) (2):						
Assets Under Management :						
Managed by Investment Division:						
Asset Management Segment - Investment Management & Advisory Services						
		62.3	66.0	64.8	65.7	70.5
		108.9	119.2	119.0	125.3	129.8
		152.3	152.7	155.3	157.6	156.3
		<u>323.5</u>	<u>337.9</u>	<u>339.1</u>	<u>348.6</u>	<u>356.6</u>
		43.5	44.8	44.0	46.5	48.0
		<u>367.0</u>	<u>382.7</u>	<u>383.1</u>	<u>395.1</u>	<u>404.6</u>
		67.1	77.7	74.0	74.1	73.0
		<u>35.9</u>	<u>39.1</u>	<u>38.6</u>	<u>41.8</u>	<u>44.0</u>
		470.0	499.5	495.7	511.0	521.6
		72.9	82.2	85.3	90.0	96.9
		<u>542.9</u>	<u>581.7</u>	<u>581.0</u>	<u>601.0</u>	<u>618.5</u>
		96.4	107.0	104.9	107.0	108.8
Distribution Representatives (1):						
		3,982	3,682	3,519	3,340	3,212
		5,234	5,385	5,555	5,529	5,702
		4,759	4,970	4,902	4,788	5,349
40	38	37	54	37	42	43
Prudential Agent productivity (\$ thousands)						
Third Party Distribution - Retail Products (\$ millions) (3):						
141	107	45	48	39	47	55
5	10	3	1	1	1	3
4,373	3,820	1,078	1,014	1,137	1,640	1,596
18,915	9,130	4,002	4,936	6,261	6,490	6,164

(1) As of end of period.

(2) At fair market value.

(3) Represents scheduled premiums from new sales on an annualized basis and first year excess premiums and deposits on a cash-received basis for Individual Life Insurance, including corporate-owned life insurance, and gross sales for Individual Annuities, Mutual Funds and Wrap-fee products.

(4) Excludes corporate-owned life insurance sales.

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

Year-to-date		%	Change		2004		2005		
2005	2004				3Q	4Q	1Q	2Q	3Q
Revenues (1):									
7,720	6,596	17%		Premiums	2,183	2,224	2,529	2,598	2,593
1,901	1,782	7%		Policy charges and fee income	615	644	626	629	646
4,601	3,971	16%		Net investment income	1,397	1,413	1,499	1,515	1,587
3,063	2,434	26%		Commissions, investment management fees, and other income	841	976	977	982	1,104
<u>17,285</u>	<u>14,783</u>	17%		Total revenues	<u>5,036</u>	<u>5,257</u>	<u>5,631</u>	<u>5,724</u>	<u>5,930</u>
Benefits and Expenses (1):									
7,596	6,778	12%		Insurance and annuity benefits	2,246	2,254	2,559	2,544	2,493
1,877	1,608	17%		Interest credited to policyholders' account balances	587	600	603	623	651
388	193	101%		Interest expense	83	103	111	134	143
(1,358)	(1,121)	-21%		Deferral of acquisition costs	(360)	(407)	(416)	(500)	(442)
734	594	24%		Amortization of acquisition costs	212	172	229	236	269
5,310	4,903	8%		General and administrative expenses	1,633	1,856	1,659	1,864	1,787
<u>14,547</u>	<u>12,955</u>	12%		Total benefits and expenses	<u>4,401</u>	<u>4,578</u>	<u>4,745</u>	<u>4,901</u>	<u>4,901</u>
<u>2,738</u>	<u>1,828</u>	50%		Adjusted operating income before income taxes	<u>635</u>	<u>679</u>	<u>886</u>	<u>823</u>	<u>1,029</u>
Items excluded from adjusted operating income before income taxes:									
669	214	213%		Realized investment gains (losses), net, and related adjustments	50	(132)	257	322	90
(104)	(32)	-225%		Related charges	(12)	(26)	(21)	(73)	(10)
<u>565</u>	<u>182</u>	210%		Total realized investment gains (losses), net, and related charges and adjustments	<u>38</u>	<u>(158)</u>	<u>236</u>	<u>249</u>	<u>80</u>
(34)	(64)	47%		Investment gains (losses) on trading account assets supporting insurance liabilities, net	208	21	(130)	193	(97)
(17)	33	-152%		Change in experience-rated contractholder liabilities due to asset value changes	(100)	(44)	86	(148)	45
(5)	(34)	85%		Divested businesses	(15)	10	(5)	1	(1)
<u>509</u>	<u>117</u>	335%		Total items excluded from adjusted operating income before income taxes	<u>131</u>	<u>(171)</u>	<u>187</u>	<u>295</u>	<u>27</u>
3,247	1,945	67%		Income from continuing operations before income taxes, extraordinary gain on acquisition and cumulative effect of accounting change	766	508	1,073	1,118	1,056
346	497	-30%		Income tax expense (benefit)	204	125	306	320	(280)
<u>2,901</u>	<u>1,448</u>	100%		Income from continuing operations before extraordinary gain on acquisition and cumulative effect of accounting change	<u>562</u>	<u>383</u>	<u>767</u>	<u>798</u>	<u>1,336</u>

(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. Benefits and expenses exclude charges related to realized investment gains, net of losses; changes in experience-rated contractholder liabilities due to asset value changes, and benefits and expenses of divested businesses.

COMBINED BALANCE SHEETS - FINANCIAL SERVICES BUSINESSES
(in millions)

	9/30/2004	12/31/2004	3/31/2005	6/30/2005	9/30/2005
Assets:					
Investments:					
Fixed maturities, available for sale, at fair value (amortized cost \$89,640; \$97,732; \$100,301; \$100,719; \$99,852)	93,889	102,155	103,966	106,151	103,748
Fixed maturities, held to maturity, at amortized cost (fair value \$2,633; \$2,765; \$3,412; \$3,294; \$3,172)	2,607	2,747	3,389	3,245	3,170
Trading account assets supporting insurance liabilities, at fair value	12,695	12,964	13,239	13,744	14,208
Other trading account assets, at fair value	3,222	1,547	1,488	1,410	1,409
Equity securities, available for sale, at fair value (cost \$1,282; \$1,473; \$1,634; \$1,636; \$1,633)	1,457	1,663	1,865	1,867	1,954
Commercial loans	16,315	17,092	16,569	16,156	16,107
Policy loans	2,606	2,919	2,943	2,935	2,959
Securities purchased under agreements to resell	190	127	171	60	146
Other long-term investments	4,518	4,934	4,644	4,485	4,475
Short-term investments	2,399	3,405	2,992	2,541	2,160
Total investments	139,898	149,553	151,266	152,594	150,336
Cash and cash equivalents	4,471	6,164	6,291	6,055	6,124
Accrued investment income	1,317	1,307	1,375	1,350	1,402
Reinsurance recoverables	34,825	32,790	3,767	3,648	3,673
Deferred policy acquisition costs	7,022	7,624	7,854	7,891	8,131
Other assets	16,000	16,472	16,644	15,631	16,194
Separate account assets	105,621	115,568	142,568	149,256	155,400
Total assets	309,154	329,478	329,765	336,425	341,260
Liabilities:					
Future policy benefits	47,673	52,522	52,370	52,332	51,446
Policyholders' account balances	63,521	69,940	70,287	70,673	70,799
Unpaid claims and claim adjustment expenses	1,775	1,807	1,839	1,879	1,896
Reinsurance payables	34,469	32,386	3,345	3,203	3,210
Securities sold under agreements to repurchase	4,957	4,657	6,087	5,739	5,682
Cash collateral for loaned securities	2,978	4,248	3,246	3,048	2,995
Income taxes payable	2,427	2,681	2,508	2,832	2,314
Securities sold but not yet purchased	503	427	466	144	207
Short-term debt	6,135	3,896	6,253	5,856	5,572
Long-term debt	5,708	5,877	5,981	6,984	7,053
Other liabilities	12,930	14,260	13,571	12,104	12,193
Separate account liabilities	105,621	115,568	142,568	149,256	155,400
Total liabilities	288,697	308,269	308,521	314,050	318,767
Attributed Equity:					
Accumulated other comprehensive income	1,462	1,817	1,337	2,083	1,410
Other attributed equity	18,995	19,392	19,907	20,292	21,083
Total attributed equity	20,457	21,209	21,244	22,375	22,493
Total liabilities and attributed equity	309,154	329,478	329,765	336,425	341,260

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

	As of September 30, 2005				
	Total			International	
	Financial	Insurance	Investment	Insurance &	Corporate
	Services	Division	Division	Investments	and Other
	Businesses			Division	Operations
Assets:					
Total investments	150,336	31,487	57,943	49,063	11,843
Deferred policy acquisition costs	8,131	4,483	106	3,703	(161)
Other assets	27,393	3,479	10,243	7,067	6,604
Separate account assets	155,400	75,873	80,594	49	(1,116)
Total assets	341,260	115,322	148,886	59,882	17,170
Liabilities:					
Future policy benefits	51,446	5,384	13,513	31,952	597
Policyholders' account balances	70,799	18,565	38,712	14,443	(921)
Debt	12,625	1,431	1,293	882	9,019
Other liabilities	28,497	8,130	8,996	7,157	4,214
Separate account liabilities	155,400	75,873	80,594	49	(1,116)
Total liabilities	318,767	109,383	143,108	54,483	11,793
Attributed Equity:					
Accumulated other comprehensive income	1,410	376	84	874	76
Other attributed equity	21,083	5,563	5,694	4,525	5,301
Total attributed equity	22,493	5,939	5,778	5,399	5,377
Total liabilities and attributed equity	341,260	115,322	148,886	59,882	17,170

	As of December 31, 2004				
	Total			International	
	Financial	Insurance	Investment	Insurance &	Corporate
	Services	Division	Division	Investments	and Other
	Businesses			Division	Operations
Assets:					
Total investments	149,553	31,614	56,219	50,543	11,177
Deferred policy acquisition costs	7,624	4,169	73	3,520	(138)
Other assets	56,733	3,617	38,949	8,098	6,069
Separate account assets	115,568	69,348	47,301	25	(1,106)
Total assets	329,478	108,748	142,542	62,186	16,002
Liabilities:					
Future policy benefits	52,522	5,166	13,571	33,163	622
Policyholders' account balances	69,940	18,518	36,490	15,418	(486)
Debt	9,773	1,161	1,484	407	6,721
Other liabilities	60,466	8,443	37,638	8,739	5,646
Separate account liabilities	115,568	69,348	47,301	25	(1,106)
Total liabilities	308,269	102,636	136,484	57,752	11,397
Attributed Equity:					
Accumulated other comprehensive income	1,817	680	370	754	13
Other attributed equity	19,392	5,432	5,688	3,680	4,592
Total attributed equity	21,209	6,112	6,058	4,434	4,605
Total liabilities and attributed equity	329,478	108,748	142,542	62,186	16,002

SHORT TERM DEBT
(in millions)

	As of September 30, 2005				As of December 31, 2004			
	Prudential Financial, Inc.	The Prudential Insurance Co. of America (1)	Other Affiliates	Total	Prudential Financial, Inc.	The Prudential Insurance Co. of America (1)	Other Affiliates	Total
Financial Services Businesses:								
<i>Borrowings by use of proceeds:</i>								
Capital Debt	-	5	-	5	97	5	-	102
Investment related	2	3,204	-	3,206	158	521	-	679
Securities business related	32	757	816	1,605	86	906	1,330	2,322
Specified other businesses	48	569	138	755	105	548	139	792
Limited recourse and non-recourse borrowing	-	-	1	1	-	-	1	1
Total short-term debt - Financial Services Businesses	<u>82</u>	<u>4,535</u>	<u>955</u>	<u>5,572</u>	<u>446</u>	<u>1,980</u>	<u>1,470</u>	<u>3,896</u>
 <i>Borrowings by type:</i>								
Long-term debt due within one year	2	62	-	64	-	57	-	57
Commercial paper	80	4,462	-	4,542	446	1,853	-	2,299
Bank borrowings	-	-	240	240	-	-	754	754
Other short-term debt	-	11	714	725	-	70	715	785
Total general obligations	<u>82</u>	<u>4,535</u>	<u>954</u>	<u>5,571</u>	<u>446</u>	<u>1,980</u>	<u>1,469</u>	<u>3,895</u>
Limited recourse and non-recourse borrowing	-	-	1	1	-	-	1	1
Total short-term debt - Financial Services Businesses	<u>82</u>	<u>4,535</u>	<u>955</u>	<u>5,572</u>	<u>446</u>	<u>1,980</u>	<u>1,470</u>	<u>3,896</u>
 Closed Block Business:								
Investment related commercial paper borrowings	-	1,119	-	1,119	-	148	-	148

(1) Includes Prudential Funding, LLC.

LONG TERM DEBT
 (in millions)

As of September 30, 2005

	Capital Debt	Investment Related	Securities Business Related	Specified Other Businesses	Total General Obligations	Limited Recourse and non- Recourse	Total Borrowing
Financial Services Businesses:							
Prudential Financial, Inc.:							
Long-term fixed and floating rate notes	2,425	1,992	963	10	5,390	-	5,390
Hybrid notes	-	-	-	-	-	-	-
Total	<u>2,425</u>	<u>1,992</u>	<u>963</u>	<u>10</u>	<u>5,390</u>	<u>-</u>	<u>5,390</u>
The Prudential Insurance Company of America (1):							
Surplus notes	692	-	-	-	692	-	692
Long-term fixed and floating rate notes	600	316	-	-	916	-	916
Commercial paper backed by long-term credit agreements	-	-	-	-	-	-	-
Total	<u>1,292</u>	<u>316</u>	<u>-</u>	<u>-</u>	<u>1,608</u>	<u>-</u>	<u>1,608</u>
Long-term debt of other affiliated companies	-	-	-	-	-	55	55
Total long-term debt of Financial Services Businesses	<u>3,717</u>	<u>2,308</u>	<u>963</u>	<u>10</u>	<u>6,998</u>	<u>55</u>	<u>7,053</u>
Ratio of long-term and short-term capital debt to capitalization	<u>15.0%</u>						

Closed Block Business:

Limited recourse notes of Prudential Holdings, LLC	-	-	-	-	-	1,750	1,750
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As of December 31, 2004

	Capital Debt	Investment Related	Securities Business Related	Specified Other Businesses	Total General Obligations	Limited Recourse and non- Recourse	Total Borrowing
Financial Services Businesses:							
Prudential Financial, Inc.:							
Long-term fixed and floating rate notes	2,086	1,366	676	-	4,128	-	4,128
Hybrid notes	-	-	-	-	-	-	-
Total	<u>2,086</u>	<u>1,366</u>	<u>676</u>	<u>-</u>	<u>4,128</u>	<u>-</u>	<u>4,128</u>
The Prudential Insurance Company of America (1):							
Surplus notes	692	-	-	-	692	-	692
Long-term fixed and floating rate notes	600	400	-	-	1,000	-	1,000
Commercial paper backed by long-term credit agreements	-	-	-	-	-	-	-
Total	<u>1,292</u>	<u>400</u>	<u>-</u>	<u>-</u>	<u>1,692</u>	<u>-</u>	<u>1,692</u>
Long-term debt of other affiliated companies	-	-	-	-	-	57	57
Total long-term debt of Financial Services Businesses	<u>3,378</u>	<u>1,766</u>	<u>676</u>	<u>-</u>	<u>5,820</u>	<u>57</u>	<u>5,877</u>
Ratio of long-term and short-term capital debt to capitalization	<u>15.1%</u>						

Closed Block Business:

Limited recourse notes of Prudential Holdings, LLC	-	-	-	-	-	1,750	1,750
--	---	---	---	---	---	-------	-------

(1) Includes Prudential Funding, LLC.

COMBINED STATEMENTS OF OPERATIONS - INSURANCE DIVISION
(in millions)

Year-to-date		% Change		2004		2005		
2005	2004			3Q	4Q	1Q	2Q	3Q
2,816	2,540	11%	Revenues (1):					
1,569	1,505	4%	Premiums	852	848	941	950	925
1,281	1,149	11%	Policy charges and fee income	519	541	513	519	537
482	468	3%	Net investment income	402	422	433	420	428
6,148	5,662	9%	Commissions, investment management fees, and other income	162	152	137	164	181
			Total revenues	1,935	1,963	2,024	2,053	2,071
			Benefits and Expenses (1):					
3,050	2,873	6%	Insurance and annuity benefits	966	949	1,068	1,054	928
540	551	-2%	Interest credited to policyholders' account balances	186	182	177	183	180
81	13	523%	Interest expense	10	19	25	25	31
(601)	(523)	-15%	Deferral of acquisition costs	(161)	(168)	(165)	(234)	(202)
433	337	28%	Amortization of acquisition costs	120	66	127	126	180
1,783	1,717	4%	General and administrative expenses	569	618	537	633	613
5,286	4,968	6%	Total benefits and expenses	1,690	1,666	1,769	1,787	1,730
862	694	24%	Adjusted operating income before income taxes	245	297	255	266	341

(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 - INSURANCE DIVISION
(in millions)

	Quarter Ended September 30, 2005				
	Total	Individual	Group	Individual Life and Annuities	
	Insurance	Life and		Individual	Individual
	Division	Annuities	Insurance	Life	Annuities
Revenues (1):					
Premiums	925	123	802	110	13
Policy charges and fee income	537	461	76	266	195
Net investment income	428	281	147	126	155
Commissions, investment management fees, and other income	181	168	13	83	85
Total revenues	<u>2,071</u>	<u>1,033</u>	<u>1,038</u>	<u>585</u>	<u>448</u>
Benefits and Expenses (1):					
Insurance and annuity benefits	928	139	789	116	23
Interest credited to policyholders' account balances	180	130	50	43	87
Interest expense	31	27	4	18	9
Deferral of acquisition costs	(202)	(187)	(15)	(79)	(108)
Amortization of acquisition costs	180	179	1	152	27
General and administrative expenses (2)	613	464	149	215	249
Total benefits and expenses	<u>1,730</u>	<u>752</u>	<u>978</u>	<u>465</u>	<u>287</u>
Adjusted operating income before income taxes	<u>341</u>	<u>281</u>	<u>60</u>	<u>120</u>	<u>161</u>

	Quarter Ended September 30, 2004				
	Total	Individual	Group	Individual Life and Annuities	
	Insurance	Life and		Individual	Individual
	Division	Annuities	Insurance	Life	Annuities
Revenues (1):					
Premiums	852	111	741	95	16
Policy charges and fee income	519	425	94	261	164
Net investment income	402	259	143	104	155
Commissions, investment management fees, and other income	162	153	9	83	70
Total revenues	<u>1,935</u>	<u>948</u>	<u>987</u>	<u>543</u>	<u>405</u>
Benefits and Expenses (1):					
Insurance and annuity benefits	966	221	745	159	62
Interest credited to policyholders' account balances	186	133	53	42	91
Interest expense	10	7	3	3	4
Deferral of acquisition costs	(161)	(155)	(6)	(72)	(83)
Amortization of acquisition costs	120	119	1	75	44
General and administrative expenses (2)	569	426	143	235	191
Total benefits and expenses	<u>1,690</u>	<u>751</u>	<u>939</u>	<u>442</u>	<u>309</u>
Adjusted operating income before income taxes	<u>245</u>	<u>197</u>	<u>48</u>	<u>101</u>	<u>96</u>

(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.

(2) General and administrative expenses for Individual Annuities include \$22 million for the quarter ended September 30, 2005 and \$4 million for the quarter ended September 30, 2004 for the amortization, net of interest, of value of business acquired (VOBA) associated with the May 1, 2003 acquisition of American Skandia.

COMBINING STATEMENTS OF OPERATIONS - INSURANCE DIVISION
(in millions)

	Nine Months Ended September 30, 2005				
	Total	Individual	Group	Individual Life and Annuities	
	Insurance	Life and		Individual	Individual
	Division	Annuities	Insurance	Life	Annuities
Revenues (1):					
Premiums	2,816	363	2,453	313	50
Policy charges and fee income	1,569	1,350	219	793	557
Net investment income	1,281	835	446	370	465
Commissions, investment management fees, and other income	482	450	32	215	235
Total revenues	<u>6,148</u>	<u>2,998</u>	<u>3,150</u>	<u>1,691</u>	<u>1,307</u>
Benefits and Expenses (1):					
Insurance and annuity benefits	3,050	616	2,434	465	151
Interest credited to policyholders' account balances	540	387	153	129	258
Interest expense	81	68	13	48	20
Deferral of acquisition costs	(601)	(540)	(61)	(232)	(308)
Amortization of acquisition costs	433	430	3	294	136
General and administrative expenses (2)	1,783	1,319	464	631	688
Total benefits and expenses	<u>5,286</u>	<u>2,280</u>	<u>3,006</u>	<u>1,335</u>	<u>945</u>
Adjusted operating income before income taxes	<u>862</u>	<u>718</u>	<u>144</u>	<u>356</u>	<u>362</u>

	Nine Months Ended September 30, 2004				
	Total	Individual	Group	Individual Life and Annuities	
	Insurance	Life and		Individual	Individual
	Division	Annuities	Insurance	Life	Annuities
Revenues (1):					
Premiums	2,540	315	2,225	268	47
Policy charges and fee income	1,505	1,264	241	773	491
Net investment income	1,149	733	416	298	435
Commissions, investment management fees, and other income	468	439	29	226	213
Total revenues	<u>5,662</u>	<u>2,751</u>	<u>2,911</u>	<u>1,565</u>	<u>1,186</u>
Benefits and Expenses (1):					
Insurance and annuity benefits	2,873	651	2,222	480	171
Interest credited to policyholders' account balances	551	392	159	122	270
Interest expense	13	9	4	3	6
Deferral of acquisition costs	(523)	(502)	(21)	(224)	(278)
Amortization of acquisition costs	337	334	3	213	121
General and administrative expenses (2)	1,717	1,293	424	685	608
Total benefits and expenses	<u>4,968</u>	<u>2,177</u>	<u>2,791</u>	<u>1,279</u>	<u>898</u>
Adjusted operating income before income taxes	<u>694</u>	<u>574</u>	<u>120</u>	<u>286</u>	<u>288</u>

(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.

(2) General and administrative expenses for Individual Annuities include \$37 million for the nine months ended September 30, 2005 and \$20 million for the nine months ended September 30, 2004 for the amortization, net of interest, of value of business acquired (VOBA) associated with the May 1, 2003 acquisition of American Skandia.

INSURANCE DIVISION - INDIVIDUAL LIFE AND ANNUITIES SALES RESULTS AND ACCOUNT VALUES
 (in millions)

Year-to-date		2004		2005				
2005	2004			3Q	4Q	1Q	2Q	3Q
INDIVIDUAL LIFE INSURANCE SALES:								
Excluding corporate-owned life insurance:								
56	78	Variable life	25	19	19	18		19
158	119	Universal life	48	59	51	53		54
89	88	Term life	28	28	29	30		30
303	285	Total excluding corporate-owned life insurance	101	106	99	101		103
5	11	Corporate-owned life insurance	4	3	1	1		3
308	296	Total	105	109	100	102		106
ANNUITY SALES AND ACCOUNT VALUES								
Variable Annuities:								
47,418	43,949	Beginning total account value	44,927	44,474	47,418	46,386		47,402
5,142	4,518	Sales	1,259	1,288	1,433	1,779		1,930
(4,255)	(3,881)	Surrenders and withdrawals	(1,266)	(1,343)	(1,388)	(1,470)		(1,397)
887	637	Net sales (redemptions)	(7)	(55)	45	309		533
(444)	(458)	Benefit payments	(154)	(155)	(145)	(148)		(151)
443	179	Net flows	(161)	(210)	(100)	161		382
2,117	781	Change in market value, interest credited, and other	(146)	3,310	(774)	1,015		1,876
(494)	(435)	Policy charges	(146)	(156)	(158)	(160)		(176)
49,484	44,474	Ending total account value	44,474	47,418	46,386	47,402		49,484
Fixed Annuities:								
3,879	3,514	Beginning total account value	3,722	3,860	3,879	3,879		4,064
334	463	Sales	175	69	52	243		39
(165)	(146)	Surrenders and withdrawals	(44)	(45)	(56)	(53)		(56)
169	317	Net sales (redemptions)	131	24	(4)	190		(17)
(119)	(124)	Benefit payments	(41)	(39)	(41)	(43)		(35)
50	193	Net flows	90	(15)	(45)	147		(52)
108	156	Interest credited and other	49	35	46	40		22
(4)	(3)	Policy charges	(1)	(1)	(1)	(2)		(1)
4,033	3,860	Ending total account value	3,860	3,879	3,879	4,064		4,033
SALES BY DISTRIBUTION CHANNEL								
<u>Life Insurance:</u>								
Excluding corporate-owned life insurance:								
162	178	Prudential Agents	56	58	60	54		48
141	107	Third party distribution	45	48	39	47		55
5	11	Corporate-owned life insurance	4	3	1	1		3
308	296	Total	105	109	100	102		106
<u>Variable and Fixed Annuities (1):</u>								
1,103	1,161	Prudential Agents	356	343	348	382		373
366	202	Wirehouses (2)	58	89	94	123		149
4,007	3,618	Independent Financial Planners (3)	1,020	925	1,043	1,517		1,447
5,476	4,981	Total	1,434	1,357	1,485	2,022		1,969

(1) Amounts represent gross sales.

(2) Prior period amounts have been reclassified to conform to current period reporting practices.

(3) Including bank distribution.

INSURANCE DIVISION - INDIVIDUAL LIFE ACCOUNT VALUE ACTIVITY
(in millions)

Year-to-date			2004		2005		
2005	2004		3Q	4Q	1Q	2Q	3Q
INDIVIDUAL LIFE INSURANCE:							
<i>Policyholders' Account Balances (1):</i>							
4,998	4,520	Beginning balance	4,742	4,809	4,998	5,142	5,249
961	895	Premiums and deposits	307	293	310	356	295
(581)	(478)	Surrenders and withdrawals	(159)	(157)	(165)	(206)	(210)
380	417	Net sales	148	136	145	150	85
(87)	(72)	Benefit payments	(25)	(24)	(31)	(27)	(29)
293	345	Net flows	123	112	114	123	56
109	2	Interest credited and other	(31)	103	53	8	48
59	43	Net transfers from separate account	10	14	16	18	25
(125)	(102)	Policy charges	(36)	(40)	(39)	(42)	(44)
<u>5,334</u>	<u>4,809</u>	Ending balance	<u>4,809</u>	<u>4,998</u>	<u>5,142</u>	<u>5,249</u>	<u>5,334</u>
<i>Separate Account Liabilities:</i>							
15,180	13,981	Beginning balance	14,303	14,209	15,180	14,912	15,207
949	1,015	Premiums and deposits	329	318	310	331	308
(504)	(443)	Surrenders and withdrawals	(158)	(144)	(141)	(157)	(206)
445	572	Net sales	171	174	169	174	102
(13)	(21)	Benefit payments	(7)	(3)	(8)	-	(5)
432	551	Net flows	164	171	161	174	97
877	410	Change in market value, interest credited and other	(5)	1,037	(182)	364	695
(77)	(126)	Net transfers (to) from general account	(50)	(34)	(47)	(43)	13
(604)	(607)	Policy charges	(203)	(203)	(200)	(200)	(204)
<u>15,808</u>	<u>14,209</u>	Ending balance	<u>14,209</u>	<u>15,180</u>	<u>14,912</u>	<u>15,207</u>	<u>15,808</u>

(1) Includes fixed rate funds, alliance deposits, supplementary contracts and deferred revenues on variable products.

INSURANCE DIVISION - ANNUITIES ACCOUNT VALUE ACTIVITY
(in millions)

Year-to-date			2004		2005		
2005	2004		3Q	4Q	1Q	2Q	3Q
INDIVIDUAL ANNUITIES:							
<i>Account Values in General Account (1):</i>							
9,613	7,660	Beginning balance	10,101	10,026	9,613	9,662	9,782
580	860	Premiums and deposits	273	182	185	308	87
(685)	(647)	Surrenders and withdrawals	(187)	(163)	(239)	(244)	(202)
(105)	213	Net sales (redemptions)	86	19	(54)	64	(115)
(231)	(240)	Benefit payments	(77)	(78)	(82)	(82)	(67)
(336)	(27)	Net flows	9	(59)	(136)	(18)	(182)
273	239	Interest credited and other	99	96	90	92	91
(107)	2,158	Net transfers (to) from separate account (2)	(182)	(449)	97	48	(252)
(6)	(4)	Policy charges	(1)	(1)	(2)	(2)	(2)
<u>9,437</u>	<u>10,026</u>	Ending balance	<u>10,026</u>	<u>9,613</u>	<u>9,662</u>	<u>9,782</u>	<u>9,437</u>
<i>Account Values in Separate Account:</i>							
41,684	39,803	Beginning balance	38,548	38,308	41,684	40,602	41,684
4,896	4,121	Premiums and deposits	1,161	1,175	1,300	1,714	1,882
(3,736)	(3,380)	Surrenders and withdrawals	(1,123)	(1,225)	(1,206)	(1,279)	(1,251)
1,160	741	Net sales (redemptions)	38	(50)	94	435	631
(331)	(342)	Benefit payments	(118)	(116)	(104)	(109)	(118)
829	399	Net flows	(80)	(166)	(10)	326	513
1,952	698	Change in market value, interest credited and other	(196)	3,249	(818)	964	1,806
107	(2,158)	Net transfers (to) from general account (2)	182	449	(97)	(48)	252
(492)	(434)	Policy charges	(146)	(156)	(157)	(160)	(175)
<u>44,080</u>	<u>38,308</u>	Ending balance	<u>38,308</u>	<u>41,684</u>	<u>40,602</u>	<u>41,684</u>	<u>44,080</u>

(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.

(2) Includes the transfer in classification, as of January 1, 2004, of \$2,168 million of assets from separate account to general account, reflecting the adoption of Statement of Position 03-1, "Accounting and Reporting by Insurance Enterprises for Certain Non-Traditional Long-Duration Contracts and for Separate Accounts" (SOP 03-1).

INSURANCE DIVISION - DEFERRED POLICY ACQUISITION COSTS
(in millions)

Year-to-date			2004		2005		
2005	2004		3Q	4Q	1Q	2Q	3Q
INDIVIDUAL LIFE INSURANCE:							
3,151	3,194	Beginning balance	3,141	3,012	3,151	3,210	3,162
232	224	Capitalization	72	87	74	79	79
(294)	(213)	Amortization - operating results	(75)	(61)	(72)	(70)	(152)
-	-	Amortization - realized investment gains and losses	-	-	-	-	-
69	(193)	Impact of unrealized (gains) or losses on AFS securities	(127)	113	57	(57)	69
<u>3,158</u>	<u>3,012</u>	Ending balance	<u>3,012</u>	<u>3,151</u>	<u>3,210</u>	<u>3,162</u>	<u>3,158</u>
INDIVIDUAL ANNUITIES:							
907	636	Beginning balance	851	837	907	1,012	1,049
308	278	Capitalization	83	75	83	117	108
(136)	(121)	Amortization - operating results	(44)	(4)	(54)	(55)	(27)
(3)	-	Amortization - realized investment gains and losses	2	(2)	(1)	2	(4)
79	40	Impact of unrealized (gains) or losses on AFS securities	(55)	1	77	(27)	29
-	4	Other (1)	-	-	-	-	-
<u>1,155</u>	<u>837</u>	Ending balance	<u>837</u>	<u>907</u>	<u>1,012</u>	<u>1,049</u>	<u>1,155</u>
GROUP INSURANCE:							
111	88	Beginning balance	101	106	111	118	155
62	21	Capitalization	6	6	8	38	16
(3)	(3)	Amortization - operating results	(1)	(1)	(1)	(1)	(1)
-	-	Amortization - realized investment gains and losses	-	-	-	-	-
-	-	Impact of unrealized losses on AFS securities	-	-	-	-	-
<u>170</u>	<u>106</u>	Ending balance	<u>106</u>	<u>111</u>	<u>118</u>	<u>155</u>	<u>170</u>
TOTAL INSURANCE DIVISION:							
4,169	3,918	Beginning balance	4,093	3,955	4,169	4,340	4,366
602	523	Capitalization	161	168	165	234	203
(433)	(337)	Amortization - operating results	(120)	(66)	(127)	(126)	(180)
(3)	-	Amortization - realized investment gains and losses	2	(2)	(1)	2	(4)
148	(153)	Impact of unrealized (gains) or losses on AFS securities	(182)	114	134	(84)	98
-	4	Other (1)	-	-	-	-	-
<u>4,483</u>	<u>3,955</u>	Ending balance	<u>3,955</u>	<u>4,169</u>	<u>4,340</u>	<u>4,366</u>	<u>4,483</u>

(1) Reflects the impact of adoption of SOP 03-1 on January 1, 2004.

INSURANCE DIVISION - SUPPLEMENTARY INFORMATION FOR INDIVIDUAL LIFE INSURANCE
 (dollar amounts in millions)

Year-to-date			2004		2005		
2005	2004		3Q	4Q	1Q	2Q	3Q
Individual Life Insurance:							
Policy Surrender Experience:							
535	483	Cash value of surrenders	167	150	155	166	214
3.6%	3.5%	Cash value of surrenders as a percentage of mean future policy benefits, policyholders' account balances, and separate account balances	3.6%	3.1%	3.2%	3.4%	4.3%
Death benefits per \$1,000 of in force (1):							
2.97	2.80	Variable and universal life	2.64	2.46	3.10	2.88	2.95
1.25	1.26	Term life	1.43	1.67	1.37	1.32	1.27
2.64	2.58	Total, Individual Life Insurance	2.49	2.40	2.74	2.67	2.63

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

INSURANCE DIVISION - SUPPLEMENTARY INFORMATION FOR GROUP INSURANCE
(dollar amounts in millions)

Year-to-date		2004					2005				
2005	2004	3Q	4Q	1Q	2Q	3Q	3Q	4Q	1Q	2Q	3Q
GROUP INSURANCE NEW ANNUALIZED PREMIUMS:											
336	195	34	42	274	30	32	38	18	76	46	15
137	143	72	60	350	76	47	291	302	362	375	395
<u>473</u>	<u>338</u>	<u>72</u>	<u>60</u>	<u>350</u>	<u>76</u>	<u>47</u>	<u>2,025</u>	<u>2,183</u>	<u>2,253</u>	<u>2,323</u>	<u>2,319</u>
Future Policy Benefits (2):											
		1,734	1,881	1,891	1,948	1,924	291	302	362	375	395
		<u>2,025</u>	<u>2,183</u>	<u>2,253</u>	<u>2,323</u>	<u>2,319</u>					
Policyholders' Account Balances (2):											
		4,412	4,566	4,516	4,462	4,434	66	71	74	85	90
		<u>4,478</u>	<u>4,637</u>	<u>4,590</u>	<u>4,547</u>	<u>4,524</u>					
Separate Account Liabilities (2):											
		11,198	12,483	12,832	15,954	15,983	-	-	-	-	-
		<u>11,198</u>	<u>12,483</u>	<u>12,832</u>	<u>15,954</u>	<u>15,983</u>					
Group Life Insurance:											
2,045	1,924	637	762	694	683	668	659	650	714	707	694
2,115	1,952	87.7%	83.7%	90.1%	89.7%	89.5%	87.7%	83.7%	90.1%	89.7%	89.5%
89.7%	88.8%	10.8%	12.1%	8.9%	9.7%	10.3%	10.8%	12.1%	8.9%	9.7%	10.3%
9.6%	10.5%	94.3%	93.9%	96.8%	96.4%	95.6%	94.3%	93.9%	96.8%	96.4%	95.6%
Group Disability Insurance (1):											
591	532	182	179	188	210	193	176	176	178	195	184
557	514	95.5%	92.6%	102.8%	94.9%	91.3%	95.5%	92.6%	102.8%	94.9%	91.3%
96.2%	95.3%	22.0%	23.5%	22.3%	19.1%	20.7%	22.0%	23.5%	22.3%	19.1%	20.7%
20.6%	21.6%	87.4%	85.8%	91.6%	90.2%	87.1%	87.4%	85.8%	91.6%	90.2%	87.1%

(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.

COMBINED STATEMENTS OF OPERATIONS - INVESTMENT DIVISION
(in millions)

Year-to-date		% Change		2004		2005		
2005	2004			3Q	4Q	1Q	2Q	3Q
250	82	205%	Revenues (1):					
140	108	30%	Premiums	43	11	41	103	106
1,924	1,726	11%	Policy charges and fee income	43	47	46	48	46
2,277	1,682	35%	Net investment income	619	617	637	631	656
4,591	3,598	28%	Commissions, investment management fees, and other income	572	734	749	726	802
			Total revenues	1,277	1,409	1,473	1,508	1,610
			Benefits and Expenses (1):					
783	653	20%	Insurance and annuity benefits	237	209	215	272	296
1,212	974	24%	Interest credited to policyholders' account balances	372	388	384	397	431
70	27	159%	Interest expense	17	21	22	25	23
(46)	(32)	-44%	Deferral of acquisition costs	(10)	(19)	(17)	(16)	(13)
41	44	-7%	Amortization of acquisition costs	15	9	14	14	13
1,820	1,688	8%	General and administrative expenses	570	690	551	666	603
3,880	3,354	16%	Total benefits and expenses	1,201	1,298	1,169	1,358	1,353
711	244	191%	Adjusted operating income before income taxes	76	111	304	150	257

(1) Revenues exclude realized investment gains, net of losses and related adjustments and investment gains, net of losses, on trading account assets supporting insurance liabilities. Benefits and expenses exclude charges related to realized investment gains, net of losses and change in experience-rated contractholder liabilities due to asset value changes.

COMBINING STATEMENTS OF OPERATIONS - INVESTMENT DIVISION
(in millions)

	Nine Months Ended September 30, 2005				Quarter Ended September 30, 2005			
	Total	Asset	Financial	Retirement	Total	Asset	Financial	Retirement
	Investment	Management	Advisory		Investment	Management	Advisory	
Division	Management	Advisory	Retirement	Division	Management	Advisory	Retirement	
Revenues (1):								
Premiums	250	-	-	250	106	-	-	106
Policy charges and fee income	140	-	-	140	46	-	-	46
Net investment income	1,924	53	7	1,864	656	20	3	633
Commissions, investment management fees, and other income	2,277	1,207	322	748	802	421	119	262
Total revenues	4,591	1,260	329	3,002	1,610	441	122	1,047
Benefits and Expenses (1):								
Insurance and annuity benefits	783	-	-	783	296	-	-	296
Interest credited to policyholders' account balances	1,212	-	-	1,212	431	-	-	431
Interest expense	70	10	-	60	23	3	-	20
Deferral of acquisition costs	(46)	(14)	-	(32)	(13)	(5)	-	(8)
Amortization of acquisition costs	41	26	-	15	13	8	-	5
General and administrative expenses	1,820	883	380	557	603	319	91	193
Total benefits and expenses	3,880	905	380	2,595	1,353	325	91	937
Adjusted operating income before income taxes	711	355	(51)	407	257	116	31	110
<hr/>								
	Nine Months Ended September 30, 2004				Quarter Ended September 30, 2004			
	Total	Asset	Financial	Retirement	Total	Asset	Financial	Retirement
	Investment	Management	Advisory		Investment	Management	Advisory	
Division	Management	Advisory	Retirement	Division	Management	Advisory	Retirement	
Revenues (1):								
Premiums	82	-	-	82	43	-	-	43
Policy charges and fee income	108	-	-	108	43	-	-	43
Net investment income	1,726	51	1	1,674	619	16	-	603
Commissions, investment management fees, and other income	1,682	995	221	466	572	317	44	211
Total revenues	3,598	1,046	222	2,330	1,277	333	44	900
Benefits and Expenses (1):								
Insurance and annuity benefits	653	-	-	653	237	-	-	237
Interest credited to policyholders' account balances	974	-	-	974	372	-	-	372
Interest expense	27	8	-	19	17	3	-	14
Deferral of acquisition costs	(32)	(15)	-	(17)	(10)	(4)	-	(6)
Amortization of acquisition costs	44	34	-	10	15	11	-	4
General and administrative expenses	1,688	843	392	453	570	265	120	185
Total benefits and expenses	3,354	870	392	2,092	1,201	275	120	806
Adjusted operating income before income taxes	244	176	(170)	238	76	58	(76)	94

(1) Revenues exclude realized investment gains, net of losses and related adjustments and 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.

INVESTMENT DIVISION - SUPPLEMENTARY REVENUE INFORMATION FOR ASSET MANAGEMENT SEGMENT
(in millions)

Year-to-date		% Change		2004		2005		
2005	2004			3Q	4Q	1Q	2Q	3Q
Asset Management Segment:								
Analysis of revenues by source:								
Investment Management and Advisory Services:								
175	161	9%	Retail customers	53	58	58	57	60
434	318	36%	Institutional customers	106	124	134	149	151
193	170	14%	General account	58	64	65	65	63
802	649	24%	Subtotal	217	246	257	271	274
458	397	15%	Mutual Fund, managed account and other revenues (1)	116	172	161	130	167
<u>1,260</u>	<u>1,046</u>	20%	Total Asset Management segment revenues	<u>333</u>	<u>418</u>	<u>418</u>	<u>401</u>	<u>441</u>
Analysis of commissions, investment management fees and other revenues by type:								
Investment Management and Advisory Services:								
722	597	21%	Asset-based fees	202	215	226	247	249
54	29	86%	Transaction-based and other revenues	8	23	21	19	14
776	626	24%	Subtotal	210	238	247	266	263
431	369	17%	Mutual Fund, managed account and other revenues (1)	107	162	153	120	158
<u>1,207</u>	<u>995</u>	21%	Total	<u>317</u>	<u>400</u>	<u>400</u>	<u>386</u>	<u>421</u>

(1) Represents mutual fund, managed account and other revenues other than asset management fees, which are included in appropriate categories above.

INVESTMENT DIVISION - SUPPLEMENTARY INFORMATION FOR FINANCIAL ADVISORY SEGMENT
(dollar amounts in millions unless otherwise noted)

Year-to-date						
2005	2004	2004		2005		
		3Q	4Q	1Q	2Q	3Q
Information pertaining to Wachovia Securities Financial Holdings, LLC:						
Revenues:						
182	166	55	59	56	61	65
1,403	1,670	454	526	482	457	464
1,357	1,208	413	429	443	455	459
123	86	31	21	29	41	53
<u>3,065</u>	<u>3,130</u>	<u>953</u>	<u>1,035</u>	<u>1,010</u>	<u>1,014</u>	<u>1,041</u>
Expenses:						
2,637	2,805	875	902	871	885	881
65	222	99	78	28	37	-
<u>2,702</u>	<u>3,027</u>	<u>974</u>	<u>980</u>	<u>899</u>	<u>922</u>	<u>881</u>
<u>363</u>	<u>103</u>	<u>(21)</u>	<u>55</u>	<u>111</u>	<u>92</u>	<u>160</u>
138	39	(8)	21	42	35	61
<u>(7)</u>	<u>(5)</u>	<u>(1)</u>	<u>3</u>	<u>(3)</u>	<u>(2)</u>	<u>(2)</u>
<u>131</u>	<u>34</u>	<u>(9)</u>	<u>24</u>	<u>39</u>	<u>33</u>	<u>59</u>
Prudential Financial, Inc., 38% share of Wachovia Securities Financial Holdings, LLC						
Purchase accounting and related adjustments						
Prudential Financial, Inc., equity income from Wachovia Securities Financial Holdings, LLC						
Recurring revenue as a percentage of total non-interest revenue (1)		47.9%	43.9%	47.1%	47.6%	47.7%
Total client assets (\$ in billions) (2)		615.9	652.6	644.7	655.6	683.1
Distribution representatives (2):						
Series 7 Financial Advisors		7,964	8,017	7,883	7,833	7,941
Series 6 Financial Representatives		2,594	2,502	2,451	2,456	2,493
Customer debit balances (\$ in billions) (2)		6.0	6.1	5.8	5.7	5.6
<hr/>						
<u>(49)</u>	<u>(166)</u>	<u>(69)</u>	<u>(83)</u>	<u>12</u>	<u>(98)</u>	<u>37</u>
Prudential Financial, Inc. income (loss) from investment in Wachovia Securities Financial Holdings, LLC, including 38% interest in results, costs incurred at Prudential level, and purchase accounting adjustments						

(1) Calculated on a YTD annualized basis.

(2) As of end of period.

INVESTMENT DIVISION - ASSETS UNDER MANAGEMENT FOR INVESTMENT MANAGEMENT AND ADVISORY SERVICES OPERATIONS
 (in billions)

	September 30, 2005			Total
	Equity	Fixed Income	Real Estate	
Retail customers	51.2	17.9	1.4	70.5
Institutional customers	46.7	66.4	16.7	129.8
General account	3.2	152.0	1.1	156.3
Total	101.1	236.3	19.2	356.6

	September 30, 2004			Total
	Equity	Fixed Income	Real Estate	
Retail customers	42.0	19.3	1.0	62.3
Institutional customers	37.8	57.8	13.3	108.9
General account	2.7	148.3	1.3	152.3
Total	82.5	225.4	15.6	323.5

Year-to-date	
2005	2004
84.8	69.3
15.2	13.6
(9.0)	(8.9)
4.3	2.3
(0.3)	0.2
<u>95.0</u>	<u>76.5</u>
<u>34.8</u>	<u>32.4</u>
<u>129.8</u>	<u>108.9</u>

Institutional Assets Under Management:

Assets gathered by Investment Management & Advisory Services sales force:

	2004		2005		
	3Q	4Q	1Q	2Q	3Q
Beginning assets under management	74.0	76.5	84.8	85.7	91.1
Additions to managed portfolio	3.5	8.6	3.1	5.0	7.1
Withdrawals	(1.5)	(3.5)	(1.8)	(2.1)	(5.1)
Change in market value	0.7	3.8	(0.6)	2.7	2.2
Net money market flows	(0.2)	(0.6)	0.2	(0.2)	(0.3)
Ending assets under management	76.5	84.8	85.7	91.1	95.0
Other institutional assets under management	32.4	34.4	33.3	34.2	34.8
Total assets managed for institutional customers at end of period	108.9	119.2	119.0	125.3	129.8

INVESTMENT DIVISION - MUTUAL FUNDS AND WRAP-FEE PRODUCTS
(in millions)

Year-to-date		2004					2005				
2005	2004	3Q	4Q	1Q	2Q	3Q					
Mutual Funds Assets Under Management:											
30,686	46,784	39,774	29,674	30,686	29,894	30,446					
3,185	2,176	631	827	874	1,288	1,023					
(5,067)	(4,070)	(1,217)	(1,692)	(1,592)	(1,582)	(1,893)					
2,365	578	(307)	2,507	(500)	1,174	1,691					
(119)	(15,794)	(9,207)	(630)	426	(328)	(217)					
<u>31,050</u>	<u>29,674</u>	<u>29,674</u>	<u>30,686</u>	<u>29,894</u>	<u>30,446</u>	<u>31,050</u>					
(1,882)	(1,894)	(586)	(865)	(718)	(294)	(870)					
Wrap-fee Products Assets Under Administration:											
41,254	19,833	27,728	36,408	41,254	43,054	46,621					
16,713	7,764	3,588	4,345	5,672	5,623	5,418					
(8,180)	(4,886)	(1,885)	(2,766)	(2,837)	(2,735)	(2,608)					
1,965	(187)	(893)	3,267	(1,035)	679	2,321					
-	13,884	7,870	-	-	-	-					
<u>51,752</u>	<u>36,408</u>	<u>36,408</u>	<u>41,254</u>	<u>43,054</u>	<u>46,621</u>	<u>51,752</u>					
8,533	2,878	1,703	1,579	2,835	2,888	2,810					
MUTUAL FUNDS AND WRAP-FEE PRODUCTS GROSS SALES BY DISTRIBUTION CHANNEL											
<u>Mutual funds, excluding wrap-fee products (2):</u>											
279	300	72	76	104	93	82					
2,743	1,799	534	727	764	1,041	938					
163	77	25	24	6	154	3					
<u>3,185</u>	<u>2,176</u>	<u>631</u>	<u>827</u>	<u>874</u>	<u>1,288</u>	<u>1,023</u>					
<u>Wrap-fee products:</u>											
541	433	120	136	175	174	192					
16,172	7,331	3,468	4,209	5,497	5,449	5,226					
<u>16,713</u>	<u>7,764</u>	<u>3,588</u>	<u>4,345</u>	<u>5,672</u>	<u>5,623</u>	<u>5,418</u>					

(1) As a result of agreements in connection with the formation of the retail securities brokerage joint venture with Wachovia, the Asset Management segment assumed administrative responsibilities for Wachovia Securities customer assets under wrap-fee and managed account programs.

(2) Other than money market.

(3) Substantially all relates to a contractual arrangement with Wachovia which provides for an essentially fixed annual fee commencing July 1, 2005.

INVESTMENT DIVISION - RETIREMENT SALES RESULTS AND ACCOUNT VALUES
(in millions)

Year-to-date						
2005	2004	2004		2005		
		3Q	4Q	1Q	2Q	3Q
RETIREMENT SALES AND ACCOUNT VALUES						
Defined Contribution:						
66,660	28,658	63,841	63,481	66,660	66,739	68,035
7,549	6,154	2,791	2,736	3,196	2,180	2,173
(7,333)	(7,096)	(3,041)	(3,325)	(2,729)	(2,234)	(2,370)
3,291	1,108	(110)	3,768	(388)	1,350	2,329
-	34,657	-	-	-	-	-
<u>70,167</u>	<u>63,481</u>	<u>63,481</u>	<u>66,660</u>	<u>66,739</u>	<u>68,035</u>	<u>70,167</u>
<u>216</u>	<u>(942)</u>	<u>(250)</u>	<u>(589)</u>	<u>467</u>	<u>(54)</u>	<u>(197)</u>
Asset management of ending total account value:						
		42,604	44,069	43,853	44,511	45,644
		20,877	22,591	22,886	23,524	24,523
		<u>63,481</u>	<u>66,660</u>	<u>66,739</u>	<u>68,035</u>	<u>70,167</u>
Guaranteed Products:						
63,146	41,955	60,365	60,844	63,146	63,146	64,195
5,991	3,881	1,676	2,233	1,933	1,820	2,238
(5,654)	(5,276)	(2,113)	(1,945)	(1,903)	(1,923)	(1,828)
2,416	1,845	945	1,849	333	1,379	704
(501)	(704)	(29)	165	(363)	(227)	89
-	19,143	-	-	-	-	-
<u>65,398</u>	<u>60,844</u>	<u>60,844</u>	<u>63,146</u>	<u>63,146</u>	<u>64,195</u>	<u>65,398</u>
<u>337</u>	<u>(1,395)</u>	<u>(437)</u>	<u>288</u>	<u>30</u>	<u>(103)</u>	<u>410</u>
Product composition of ending total account value						
		23,396	24,244	24,878	25,428	25,193
		37,448	38,902	38,268	38,767	40,205
		<u>60,844</u>	<u>63,146</u>	<u>63,146</u>	<u>64,195</u>	<u>65,398</u>

(1) Represents changes in asset balances for externally managed accounts. Includes a \$152 million reduction in account value as of January 1, 2004 reflecting the adoption of SOP 03-1.

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

Year-to-date		% Change		2004		2005		
2005	2004			3Q	4Q	1Q	2Q	3Q
4,670	3,976	17%	Revenues (1):					
204	179	14%	Premiums	1,292	1,366	1,552	1,550	1,568
964	704	37%	Policy charges and fee income	55	61	71	66	67
302	261	16%	Net investment income	242	234	309	318	337
6,140	5,120	20%	Commissions, investment management fees, and other income	96	101	112	84	106
			Total revenues	1,685	1,762	2,044	2,018	2,078
			Benefits and Expenses (1):					
3,713	3,188	16%	Insurance and annuity benefits	1,015	1,061	1,258	1,200	1,255
150	84	79%	Interest credited to policyholders' account balances	29	33	46	52	52
19	4	375%	Interest expense	1	3	6	6	7
(757)	(614)	-23%	Deferral of acquisition costs	(206)	(235)	(251)	(265)	(241)
297	256	16%	Amortization of acquisition costs	92	109	101	108	88
1,676	1,452	15%	General and administrative expenses	494	538	573	570	533
5,098	4,370	17%	Total benefits and expenses	1,425	1,509	1,733	1,671	1,694
1,042	750	39%	Adjusted operating income before income taxes	260	253	311	347	384

(1) Revenues exclude realized investment gains, net of losses and related adjustments and investment gains, net of losses, on trading account assets supporting insurance liabilities. Benefits and expenses exclude charges related to realized investment gains, net of losses and change in experience-rated contractholder liabilities due to asset value changes.

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

	Nine Months Ended September 30, 2005				Quarter Ended September 30, 2005			
	Total	International	International	International	Total	International	International	International
	International	Insurance	Insurance -	Investments	International	Insurance	Insurance -	Investments
	Insurance & Investments	excl. Gibraltar	Insurance - Gibraltar Life	Investments	Insurance & Investments	excl. Gibraltar	Insurance - Gibraltar Life	Investments
Division	Life	Gibraltar Life	Investments	Division	Life	Gibraltar Life	Investments	
Revenues (1):								
Premiums	4,670	2,814	1,856	-	1,568	909	659	-
Policy charges and fee income	204	153	51	-	67	54	13	-
Net investment income	964	424	504	36	337	144	178	15
Commissions, investment management fees, and other income	302	(18)	1	319	106	(3)	3	106
Total revenues	<u>6,140</u>	<u>3,373</u>	<u>2,412</u>	<u>355</u>	<u>2,078</u>	<u>1,104</u>	<u>853</u>	<u>121</u>
Benefits and Expenses (1):								
Insurance and annuity benefits	3,713	2,174	1,539	-	1,255	688	567	-
Interest credited to policyholders' account balances	150	73	77	-	52	23	29	-
Interest expense	19	17	(1)	3	7	6	-	1
Deferral of acquisition costs	(757)	(559)	(198)	-	(241)	(176)	(65)	-
Amortization of acquisition costs	297	224	73	-	88	74	14	-
General and administrative expenses	1,676	865	531	280	533	272	167	94
Total benefits and expenses	<u>5,098</u>	<u>2,794</u>	<u>2,021</u>	<u>283</u>	<u>1,694</u>	<u>887</u>	<u>712</u>	<u>95</u>
Adjusted operating income before income taxes	<u>1,042</u>	<u>579</u>	<u>391</u>	<u>72</u>	<u>384</u>	<u>217</u>	<u>141</u>	<u>26</u>
	Nine Months Ended September 30, 2004				Quarter Ended September 30, 2004			
	Total	International	International	International	Total	International	International	International
	International	Insurance	Insurance -	Investments	International	Insurance	Insurance -	Investments
	Insurance & Investments	excl. Gibraltar	Insurance - Gibraltar Life	Investments	Insurance & Investments	excl. Gibraltar	Insurance - Gibraltar Life	Investments
	Division	Life	Gibraltar Life	Investments	Division	Life	Gibraltar Life	Investments
Revenues (1):								
Premiums	3,976	2,191	1,785	-	1,292	742	550	-
Policy charges and fee income	179	120	59	-	55	38	17	-
Net investment income	704	232	450	22	242	82	152	8
Commissions, investment management fees, and other income	261	(18)	(19)	298	96	(8)	(6)	110
Total revenues	<u>5,120</u>	<u>2,525</u>	<u>2,275</u>	<u>320</u>	<u>1,685</u>	<u>854</u>	<u>713</u>	<u>118</u>
Benefits and Expenses (1):								
Insurance and annuity benefits	3,188	1,697	1,491	-	1,015	558	457	-
Interest credited to policyholders' account balances	84	12	72	-	29	4	25	-
Interest expense	4	8	(6)	2	1	2	(2)	1
Deferral of acquisition costs	(614)	(447)	(167)	-	(206)	(150)	(56)	-
Amortization of acquisition costs	256	199	57	-	92	73	19	-
General and administrative expenses	1,452	667	519	266	494	228	170	96
Total benefits and expenses	<u>4,370</u>	<u>2,136</u>	<u>1,966</u>	<u>268</u>	<u>1,425</u>	<u>715</u>	<u>613</u>	<u>97</u>
Adjusted operating income before income taxes	<u>750</u>	<u>389</u>	<u>309</u>	<u>52</u>	<u>260</u>	<u>139</u>	<u>100</u>	<u>21</u>

(1) Revenues exclude realized investment gains, net of losses and related adjustments and 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.

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

Year-to-date						
2005	2004	2004		2005		
		3Q	4Q	1Q	2Q	3Q
Japanese Yen Basis Results:						
Revenues (1):						
¥ 261,222	¥ 194,602	¥ 65,655	¥ 66,171	¥ 91,001	¥ 83,651	¥ 86,570
259,422	249,757	78,986	78,006	78,294	86,825	94,303
<u>520,644</u>	<u>444,359</u>	<u>144,641</u>	<u>144,177</u>	<u>169,295</u>	<u>170,476</u>	<u>180,873</u>
Benefits and Expenses (1):						
205,963	157,682	52,373	53,252	74,269	65,964	65,730
216,608	213,620	67,358	67,174	66,826	71,032	78,750
<u>422,571</u>	<u>371,302</u>	<u>119,731</u>	<u>120,426</u>	<u>141,095</u>	<u>136,996</u>	<u>144,480</u>
Adjusted operating income (2):						
55,259	36,920	13,282	12,919	16,732	17,687	20,840
42,813	36,137	11,628	10,832	11,468	15,793	15,552
<u>¥ 98,072</u>	<u>¥ 73,057</u>	<u>¥ 24,910</u>	<u>¥ 23,751</u>	<u>¥ 28,200</u>	<u>¥ 33,480</u>	<u>¥ 36,392</u>
U.S. Dollar adjusted operating income (3):						
\$ 503	\$ 315	\$ 113	\$ 111	\$ 154	\$ 159	\$ 190
391	309	100	93	106	144	141
<u>894</u>	<u>624</u>	<u>213</u>	<u>204</u>	<u>260</u>	<u>303</u>	<u>331</u>
76	74	26	15	25	24	27
<u>\$ 970</u>	<u>\$ 698</u>	<u>\$ 239</u>	<u>\$ 219</u>	<u>\$ 285</u>	<u>\$ 327</u>	<u>\$ 358</u>

- (1) Revenues exclude realized investment gains, net of losses and related adjustments and investment gains, net of losses, on trading account assets supporting insurance liabilities. Benefits and expenses exclude charges related to realized investment gains, net of losses and change in experience-rated contractholder liabilities due to asset value changes.
- (2) Adjusted operating income on yen basis excludes impact of currency hedging.
- (3) U.S. dollar adjusted operating income includes impact of currency hedging.

INTERNATIONAL INSURANCE AND INVESTMENTS DIVISION - SALES RESULTS AND SUPPLEMENTARY INFORMATION
(dollar amounts in millions unless otherwise noted)

Year-to-date			2004		2005		
2005	2004		3Q	4Q	1Q	2Q	3Q
INTERNATIONAL INSURANCE OPERATING DATA:							
Actual exchange rate basis (1):							
Net premiums, policy charges and fee income:							
2,099	1,628	Japan, excluding Gibraltar Life	542	579	752	678	669
1,907	1,844	Gibraltar Life	567	567	590	645	672
868	683	All other countries	238	281	281	293	294
<u>4,874</u>	<u>4,155</u>	Total	<u>1,347</u>	<u>1,427</u>	<u>1,623</u>	<u>1,616</u>	<u>1,635</u>
Annualized new business premiums:							
467	324	Japan, excluding Gibraltar Life	103	127	171	179	117
249	211	Gibraltar Life	68	66	71	96	82
198	150	All other countries	50	67	66	68	64
<u>914</u>	<u>685</u>	Total	<u>221</u>	<u>260</u>	<u>308</u>	<u>343</u>	<u>263</u>
Constant exchange rate basis (2):							
Net premiums, policy charges and fee income:							
2,091	1,645	Japan, excluding Gibraltar Life	553	565	730	674	687
1,891	1,853	Gibraltar Life	575	565	568	635	688
783	694	All other countries	241	269	252	262	269
<u>4,765</u>	<u>4,192</u>	Total	<u>1,369</u>	<u>1,399</u>	<u>1,550</u>	<u>1,571</u>	<u>1,644</u>
Annualized new business premiums:							
466	325	Japan, excluding Gibraltar Life	104	125	168	178	120
246	212	Gibraltar Life	68	66	69	94	83
178	151	All other countries	49	66	60	61	57
<u>890</u>	<u>688</u>	Total	<u>221</u>	<u>257</u>	<u>297</u>	<u>333</u>	<u>260</u>

(1) Translated based on applicable average exchange rates for the period shown.

(2) Translated based on average exchange rates for the year ended December 31, 2004.

INTERNATIONAL INSURANCE AND INVESTMENTS DIVISION - SALES RESULTS AND SUPPLEMENTARY INFORMATION

	2004		2005		
	3Q	4Q	1Q	2Q	3Q
Face amount of individual policies in force at end of period (in billions) (1): (Constant exchange rate basis)					
Japan, excluding Gibraltar Life	192	207	211	216	219
Gibraltar Life	217	214	212	209	208
All other countries	76	79	82	83	85
Total	<u>485</u>	<u>500</u>	<u>505</u>	<u>508</u>	<u>512</u>
Number of individual policies in force at end of period (in thousands):					
Japan, excluding Gibraltar Life	1,304	1,696	1,737	1,780	1,808
Gibraltar Life	4,109	4,070	4,025	3,961	3,938
All other countries	925	965	1,001	1,036	1,064
Total	<u>6,338</u>	<u>6,731</u>	<u>6,763</u>	<u>6,777</u>	<u>6,810</u>
International insurance policy persistency (2):					
13 months	92.8%	93.0%	92.9%	93.1%	93.3%
25 months	86.5%	86.3%	86.2%	86.2%	86.6%
Number of Life Planners at end of period (3):					
Japan	2,509	2,550	2,665	2,603	2,752
All other countries	2,725	2,835	2,890	2,926	2,950
Total	<u>5,234</u>	<u>5,385</u>	<u>5,555</u>	<u>5,529</u>	<u>5,702</u>

(1) Translated based on exchange rates as of December 31, 2004.

(2) Excluding Gibraltar Life.

(3) Excluding Gibraltar Life Advisors.

INVESTMENT PORTFOLIO COMPOSITION
(in millions)

	September 30, 2005				December 31, 2004			
	Consolidated Portfolio	Closed Block Business	Financial Services Businesses		Consolidated Portfolio	Closed Block Business	Financial Services Businesses	
			Amount	% of Total			Amount	% of Total
Fixed maturities:								
Public, available for sale, at fair value (1)	121,800	36,174	85,626	57.9%	118,400	34,683	83,717	57.1%
Public, held to maturity, at amortized cost	2,974	-	2,974	2.0%	2,624	-	2,624	1.8%
Private, available for sale, at fair value (1)	31,222	13,416	17,806	12.1%	32,336	14,130	18,206	12.4%
Private, held to maturity, at amortized cost	196	-	196	0.1%	123	-	123	0.1%
Trading account assets supporting insurance liabilities, at fair value	14,208	-	14,208	9.6%	12,964	-	12,964	8.8%
Other trading account assets, at fair value	67	-	67	0.0%	130	-	130	0.1%
Equity securities, available for sale, at fair value	4,684	2,742	1,942	1.3%	4,271	2,620	1,651	1.1%
Commercial loans	23,392	7,285	16,107	10.9%	24,389	7,297	17,092	11.6%
Policy loans	8,364	5,405	2,959	2.0%	8,373	5,454	2,919	2.0%
Other long-term investments (2)	4,874	945	3,929	2.7%	4,978	1,047	3,931	2.7%
Short-term investments	3,470	1,439	2,031	1.4%	5,245	1,840	3,405	2.3%
Subtotal (3)	215,251	67,406	147,845	100.0%	213,833	67,071	146,762	100.0%
Invested assets of other entities and operations (4)	2,491	-	2,491		2,791	-	2,791	
Total investments	217,742	67,406	150,336		216,624	67,071	149,553	

Fixed Maturities by Credit Quality (3):

	NAIC Rating (5)	Rating Agency Equivalent	September 30, 2005					December 31, 2004				
			Financial Services Businesses					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:												
1	Aaa, Aa, A		66,206	2,445	269	68,382	77.2%	63,553	2,500	276	65,777	76.2%
2	Baa		15,330	806	138	15,998	18.1%	16,463	980	123	17,320	20.1%
	Subtotal Investment Grade		81,536	3,251	407	84,380	95.3%	80,016	3,480	399	83,097	96.3%
3	Ba		2,588	124	35	2,677	3.0%	2,096	176	72	2,200	2.5%
4	B		1,335	87	14	1,408	1.6%	839	93	1	931	1.1%
5	C and lower		100	6	4	102	0.1%	85	13	2	96	0.1%
6	In or near default		27	7	1	33	0.0%	25	9	-	34	0.0%
	Subtotal Below Investment Grade		4,050	224	54	4,220	4.7%	3,045	291	75	3,261	3.7%
	Total		85,586	3,475	461	88,600	100.0%	83,061	3,771	474	86,358	100.0%
Private Fixed Maturities:												
1	Aaa, Aa, A		5,827	264	31	6,060	33.7%	4,917	321	19	5,219	28.5%
2	Baa		9,435	587	45	9,977	55.4%	9,831	695	25	10,501	57.3%
	Subtotal Investment Grade		15,262	851	76	16,037	89.1%	14,748	1,016	44	15,720	85.8%
3	Ba		1,148	49	7	1,190	6.6%	1,520	102	1	1,621	8.8%
4	B		406	34	1	439	2.4%	399	42	3	438	2.4%
5	C and lower		236	33	-	269	1.5%	293	32	1	324	1.8%
6	In or near default		63	8	2	69	0.4%	224	9	6	227	1.2%
	Subtotal Below Investment Grade		1,853	124	10	1,967	10.9%	2,436	185	11	2,610	14.2%
	Total		17,115	975	86	18,004	100.0%	17,184	1,201	55	18,330	100.0%

- (1) Classification for the earlier period presented has been conformed to the current presentation.
- (2) Other long-term investments consist of real estate and non-real estate related investments in joint ventures (other than our equity investment in Wachovia Securities Financial Holdings, LLC) and partnerships, investment real estate held through direct ownership, our interest in separate account investments and other miscellaneous investments.
- (3) Excludes (i) assets of our securities brokerage, securities trading, and banking operations, (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.
- (4) Includes assets of our securities brokerage, securities trading, banking 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. Our investment in Wachovia Securities Financial Holdings, LLC is included in "Other assets".
- (5) Reflects equivalent ratings for investments of international insurance operations that are not rated by United States insurance regulatory authorities. Includes, as of September 30, 2005 and December 31, 2004, respectively, 184 securities with amortized cost of \$2,770 million (fair value \$2,809 million) and 206 securities with amortized cost of \$2,910 million (fair value, \$2,972 million) that have been categorized based on expected NAIC designations pending receipt of SVO ratings.

FINANCIAL SERVICES BUSINESSES INVESTMENT PORTFOLIO COMPOSITION
 (in millions)

	September 30, 2005		December 31, 2004	
	Amount	% of Total	Amount	% of Total
Japanese Insurance Operations:				
Fixed maturities:				
Public, available for sale, at fair value (1)	32,168	70.8%	33,090	69.8%
Public, held to maturity, at amortized cost	2,974	6.5%	2,624	5.5%
Private, available for sale, at fair value (1)	2,696	5.9%	2,309	4.9%
Private, held to maturity, at amortized cost	196	0.4%	123	0.3%
Trading account assets supporting insurance liabilities, at fair value	956	2.1%	885	1.9%
Other trading account assets, at fair value	28	0.1%	71	0.1%
Equity securities, available for sale, at fair value	1,727	3.8%	1,470	3.1%
Commercial loans	2,592	5.7%	3,371	7.1%
Policy loans	978	2.2%	1,037	2.2%
Other long-term investments (2)	1,051	2.3%	1,375	2.9%
Short-term investments	77	0.2%	1,031	2.2%
Total	45,443	100.0%	47,386	100.0%

	September 30, 2005		December 31, 2004	
	Amount	% of Total	Amount	% of Total
Financial Services Businesses excluding Japanese Insurance Operations (3):				
Fixed maturities:				
Public, available for sale, at fair value (1)	53,458	52.2%	50,627	51.0%
Public, held to maturity, at amortized cost	-	0.0%	-	0.0%
Private, available for sale, at fair value (1)	15,110	14.8%	15,897	16.0%
Private, held to maturity, at amortized cost	-	0.0%	-	0.0%
Trading account assets supporting insurance liabilities, at fair value	13,252	13.0%	12,079	12.2%
Other trading account assets, at fair value	39	0.0%	59	0.0%
Equity securities, available for sale, at fair value	215	0.2%	181	0.2%
Commercial loans	13,515	13.2%	13,721	13.8%
Policy loans	1,981	1.9%	1,882	1.9%
Other long-term investments (2)	2,878	2.8%	2,556	2.5%
Short-term investments	1,954	1.9%	2,374	2.4%
Total	102,402	100.0%	99,376	100.0%

(1) Classification for the earlier period presented has been conformed to the current presentation.

(2) Other long-term investments consist of real estate and non-real estate related investments in joint ventures (other than our equity investment in Wachovia Securities Financial Holdings, LLC) and partnerships, investment real estate held through direct ownership, our interest in separate account investments and other miscellaneous investments. Our investment in Wachovia Securities Financial Holdings, LLC is included in "Other assets".

(3) Excludes (i) assets of our securities brokerage, securities trading, and banking operations, (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 September 30					
	2005			2004		
	Investment Income		Realized	Investment Income		Realized
	Yield (3)	Amount	Gains / (Losses)	Yield (3)	Amount	Gains / (Losses)
Financial Services Businesses (1) (4):						
Fixed maturities	4.62%	1,186	45	4.52%	1,012	79
Equity securities	4.59%	19	40	3.70%	11	15
Commercial loans	6.67%	196	(7)	6.50%	185	(16)
Policy loans	4.96%	36	-	4.99%	32	-
Short-term investments and cash equivalents	2.68%	52	-	1.59%	24	(1)
Other investments	9.78%	120	(2)	8.64%	126	(40)
Gross investment income before investment expenses	4.96%	1,609	76	4.78%	1,390	37
Investment expenses	-0.12%	(93)	-	-0.15%	(70)	-
Subtotal	4.84%	1,516	76	4.63%	1,320	37
Investment results of other entities and operations (2)		74	17		77	(1)
Less, investment income relating to divested businesses		(3)			-	
Total		1,587	93		1,397	36

	Nine Months Ended September 30					
	2005			2004		
	Investment Income		Realized	Investment Income		Realized
	Yield (3)	Amount	Gains / (Losses)	Yield (3)	Amount	Gains / (Losses)
Financial Services Businesses (1) (4):						
Fixed maturities	4.63%	3,492	87	4.61%	2,946	118
Equity securities	3.77%	44	54	2.62%	22	94
Commercial loans	6.84%	601	111	6.70%	568	(2)
Policy loans	4.86%	105	-	4.77%	92	-
Short-term investments and cash equivalents	2.60%	143	-	1.54%	71	(1)
Other investments	7.88%	281	348	8.51%	301	7
Gross investment income before investment expenses	4.88%	4,666	600	4.85%	4,000	216
Investment expenses	-0.15%	(271)	-	-0.16%	(185)	-
Subtotal	4.73%	4,395	600	4.69%	3,815	216
Investment results of other entities and operations (2)		217	20		157	(58)
Less, investment income relating to divested businesses		(11)			(1)	
Total		4,601	620		3,971	158

- (1) Excludes assets of our securities brokerage operations, securities trading operations, banking operations, commercial loans and trading account assets supporting insurance liabilities where the investment results generally inure 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) Investment income of securities brokerage, securities trading, banking operations, and commercial loans supporting insurance liabilities where the investment results generally inure 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 inure to contractholders and investment income on assets other than those included in invested assets of the Financial Services Businesses.
- (4) Classification for the earlier period presented has been conformed to the current presentation.

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

	Quarter Ended September 30					
	2005			2004		
	Investment Income		Realized	Investment Income		Realized
	Yield (1)	Amount	Gains / (Losses)	Yield (1)	Amount	Gains / (Losses)
Japanese Insurance Operations (2):						
Fixed maturities	2.36%	220	(1)	1.96%	154	(4)
Equity securities	4.63%	16	26	3.49%	10	2
Commercial loans	4.12%	28	4	4.18%	28	5
Policy loans	3.49%	8	-	3.78%	7	-
Short-term investments and cash equivalents	0.93%	2	-	8.31%	1	(1)
Other investments	10.45%	26	(36)	8.08%	23	(1)
Gross investment income before investment expenses	2.73%	300	(7)	2.39%	223	1
Investment expenses	-0.19%	(21)	-	-0.21%	(19)	-
Total	2.54%	279	(7)	2.18%	204	1

	Nine Months Ended September 30					
	2005			2004		
	Investment Income		Realized	Investment Income		Realized
	Yield (1)	Amount	Gains / (Losses)	Yield (1)	Amount	Gains / (Losses)
Japanese Insurance Operations (2):						
Fixed maturities	2.27%	638	(68)	1.94%	458	(12)
Equity securities	3.18%	33	38	2.26%	17	33
Commercial loans	4.10%	90	120	4.27%	88	20
Policy loans	3.40%	25	-	3.26%	20	-
Short-term investments and cash equivalents	0.51%	3	-	8.49%	2	(1)
Other investments	9.20%	82	80	8.01%	70	9
Gross investment income before investment expenses	2.60%	871	170	2.34%	655	49
Investment expenses	-0.19%	(64)	-	-0.21%	(59)	-
Total	2.41%	807	170	2.13%	596	49

(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 inure to contractholders and investment income on assets other than those included in invested assets of the Financial Services Businesses.

(2) Classification for the earlier period presented has been conformed to the current presentation.

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

	Quarter Ended September 30					
	2005			2004		
	Investment Income		Realized	Investment Income		Realized
	Yield (2)	Amount	Gains / (Losses)	Yield (2)	Amount	Gains / (Losses)
Financial Services Businesses excluding Japanese Insurance Operations (1) (3):						
Fixed maturities	5.98%	966	46	5.96%	858	83
Equity securities	4.26%	3	14	5.27%	1	13
Commercial loans	7.45%	168	(11)	7.22%	157	(21)
Policy loans	5.70%	28	-	5.54%	25	-
Short-term investments and cash equivalents	2.99%	50	-	1.55%	23	-
Other investments	10.82%	94	34	8.82%	103	(39)
Gross investment income before investment expenses	6.21%	1,309	83	5.98%	1,167	36
Investment expenses	-0.09%	(72)	-	-0.12%	(51)	-
Total	6.12%	1,237	83	5.86%	1,116	36

	Nine Months Ended September 30					
	2005			2004		
	Investment Income		Realized	Investment Income		Realized
	Yield (2)	Amount	Gains / (Losses)	Yield (2)	Amount	Gains / (Losses)
Financial Services Businesses excluding Japanese Insurance Operations (1) (3):						
Fixed maturities	6.10%	2,854	155	6.22%	2,488	130
Equity securities	9.22%	11	16	5.23%	5	61
Commercial loans	7.75%	511	(9)	7.49%	480	(22)
Policy loans	5.63%	80	-	5.50%	72	-
Short-term investments and cash equivalents	3.03%	140	-	1.50%	69	-
Other investments	7.44%	199	268	8.70%	231	(2)
Gross investment income before investment expenses	6.19%	3,795	430	6.17%	3,345	167
Investment expenses	-0.12%	(207)	-	-0.13%	(126)	-
Total	6.07%	3,588	430	6.04%	3,219	167

- (1) Excludes assets of our securities brokerage operations, securities trading operations, banking operations, commercial loans and trading account assets supporting insurance liabilities where the investment results generally inure 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 inure to contractholders and investment income on assets other than those included in invested assets of the Financial Services Businesses.
- (3) Classification for the earlier period presented has been conformed to the current presentation.

RECLASSIFIED COMBINED STATEMENTS OF OPERATIONS - FINANCIAL SERVICES BUSINESSES

(in millions)

Year ended December 31		2004				2005	
		1Q	2Q	3Q	4Q	1Q	2Q
2003							
	Revenues (1):						
7,945	Premiums	2,196	2,217	2,183	2,224	2,529	2,598
2,024	Policy charges and fee income	567	600	615	644	626	629
4,935	Net investment income	1,244	1,330	1,397	1,413	1,499	1,515
3,254	Commissions, investment management fees, and other income	676	917	841	976	977	982
<u>18,158</u>	Total revenues	<u>4,683</u>	<u>5,064</u>	<u>5,036</u>	<u>5,257</u>	<u>5,631</u>	<u>5,724</u>
	Benefits and Expenses (1):						
8,307	Insurance and annuity benefits	2,289	2,243	2,246	2,254	2,559	2,544
1,718	Interest credited to policyholders' account balances	432	589	587	600	603	623
200	Interest expense	53	57	83	103	111	134
(1,270)	Deferral of acquisition costs	(388)	(373)	(360)	(407)	(416)	(500)
533	Amortization of acquisition costs	192	190	212	172	229	236
6,696	General and administrative expenses	1,555	1,715	1,633	1,856	1,659	1,864
<u>16,184</u>	Total benefits and expenses	<u>4,133</u>	<u>4,421</u>	<u>4,401</u>	<u>4,578</u>	<u>4,745</u>	<u>4,901</u>
<u>1,974</u>	Adjusted operating income before income taxes	<u>550</u>	<u>643</u>	<u>635</u>	<u>679</u>	<u>886</u>	<u>823</u>

(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. Benefits and expenses exclude charges related to realized investment gains, net of losses; changes in experience-rated contractholder liabilities due to asset value changes, and benefits and expenses of divested businesses.

RECLASSIFIED COMBINED STATEMENTS OF OPERATIONS - INSURANCE DIVISION

(in millions)

Year ended December 31		2004				2005	
		1Q	2Q	3Q	4Q	1Q	2Q
2003							
	Revenues (1):						
3,249	Premiums	855	833	852	848	941	950
1,740	Policy charges and fee income	490	496	519	541	513	519
1,446	Net investment income	369	378	402	422	433	420
387	Commissions, investment management fees, and other income	150	156	162	152	137	164
<u>6,822</u>	Total revenues	<u>1,864</u>	<u>1,863</u>	<u>1,935</u>	<u>1,963</u>	<u>2,024</u>	<u>2,053</u>
	Benefits and Expenses (1):						
3,821	Insurance and annuity benefits	978	929	966	949	1,068	1,054
663	Interest credited to policyholders' account balances	180	185	186	182	177	183
-	Interest expense	1	2	10	19	25	25
(595)	Deferral of acquisition costs	(182)	(180)	(161)	(168)	(165)	(234)
245	Amortization of acquisition costs	108	109	120	66	127	126
1,900	General and administrative expenses	568	580	569	618	537	633
<u>6,034</u>	Total benefits and expenses	<u>1,653</u>	<u>1,625</u>	<u>1,690</u>	<u>1,666</u>	<u>1,769</u>	<u>1,787</u>
<u>788</u>	Adjusted operating income before income taxes	<u>211</u>	<u>238</u>	<u>245</u>	<u>297</u>	<u>255</u>	<u>266</u>

(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.

RECLASSIFIED COMBINED STATEMENTS OF OPERATIONS AND SUPPLEMENTAL INFORMATION - GROUP INSURANCE SEGMENT

(dollars in millions)

Year ended December 31		2004				2005	
		1Q	2Q	3Q	4Q	1Q	2Q
2003							
	Revenues (1):						
2,833	Premiums	754	730	741	725	818	833
262	Policy charges and fee income	71	76	94	101	74	69
585	Net investment income	135	138	143	145	151	148
37	Commissions, investment management fees, and other income	11	9	9	10	9	10
<u>3,717</u>	<u>Total revenues</u>	<u>971</u>	<u>953</u>	<u>987</u>	<u>981</u>	<u>1,052</u>	<u>1,060</u>
	Benefits and Expenses (1):						
2,797	Insurance and annuity benefits	761	716	745	708	827	818
243	Interest credited to policyholders' account balances	52	54	53	51	51	52
2	Interest expense	-	1	3	4	5	4
(34)	Deferral of acquisition costs	(7)	(8)	(6)	(6)	(8)	(38)
3	Amortization of acquisition costs	1	1	1	1	1	1
537	General and administrative expenses	138	143	143	169	138	177
<u>3,548</u>	<u>Total benefits and expenses</u>	<u>945</u>	<u>907</u>	<u>939</u>	<u>927</u>	<u>1,014</u>	<u>1,014</u>
<u>169</u>	<u>Adjusted operating income before income taxes</u>	<u>26</u>	<u>46</u>	<u>48</u>	<u>54</u>	<u>38</u>	<u>46</u>
	Group Life Insurance:						
2,542	Gross premiums, policy charges and fee income (2)	674	613	637	762	694	683
2,453	Earned premiums, policy charges and fee income	652	641	659	650	714	707
89.9%	Benefits ratio	91.4%	87.2%	87.7%	83.7%	90.1%	89.7%
9.7%	Administrative operating expense ratio	9.5%	11.1%	10.8%	12.1%	8.9%	9.7%
	Group Disability Insurance (3):						
662	Gross premiums, policy charges and fee income (2)	176	174	182	179	188	210
642	Earned premiums, policy charges and fee income	173	165	176	176	178	195
92.4%	Benefits ratio	95.4%	95.2%	95.5%	92.6%	102.8%	94.9%
22.5%	Administrative operating expense ratio	21.0%	21.8%	22.0%	23.5%	22.3%	19.1%

(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.

(2) Before returns of premiums to participating policyholders for favorable claims experience.

(3) Group disability amounts include long-term care products.

KEY DEFINITIONS AND FORMULAS

1. Adjusted operating income before income taxes:

Adjusted operating income is a non-GAAP measure that excludes Realized investment gains (losses), net (other than those associated with terminating hedges of foreign currency earnings and current period yield adjustments), 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; cumulative effect of accounting change; extraordinary gain on acquisition; 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 exclude these items as well. Adjusted operating income does not equate to "Income from continuing operations before income taxes, extraordinary gain on acquisition and cumulative effect of accounting change" as determined in accordance with GAAP but is the measure of profit or loss we use to evaluate segment performance. Adjusted operating income should not be viewed as 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 excluded items 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. 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).

4. 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.

5. 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.

6. 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.

7. 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.

8. 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.

9. Borrowings - Specified Other Businesses:

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

10. 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.

KEY DEFINITIONS AND FORMULAS

11. 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.

12. Earnings Per Share of Common Stock:

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 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 of the Financial Services Businesses reflects these adjustments as well.

13. 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.

14. Gibraltar Life Advisors:

Insurance representatives for Gibraltar Life.

15. 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.

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

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

17. Individual Life Insurance Sales:

Scheduled premiums from new sales on an annualized basis and first year excess premiums and deposits on a cash-received basis.

18. 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.

19. International Life Planners:

Insurance agents in our insurance operations outside the United States, excluding Gibraltar Life Advisors.

20. New annualized premiums:

Premiums from new sales that are expected to be collected over a one year period. Group insurance new annualized 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 new annualized premiums include premiums from the takeover of claim liabilities. Single premium business for the company's international insurance operations is included in annualized new business premiums based on 10% credit.

21. 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.

KEY DEFINITIONS AND FORMULAS

22. 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 unrealized gains and losses on investments.

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 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 18.10% for the nine months ended September 30, 2005, 9.92% for the nine months ended September 30, 2004, 24.16% for the three months ended September 30, 2005, 11.66% for the three months ended September 30, 2004, 15.04% for the three months ended June 30, 2005, 14.87% for the three months ended March 31, 2005 and 7.74% for the three months ended December 31, 2004.

23. Policy Persistence - 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).

24. Policy Persistence - 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.

25. Prudential Agents:

Insurance agents in our insurance operations in the United States.

26. 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.

27. Ratio of capital debt to total capitalization:

For purposes of this ratio, we measure "debt" as borrowings for capital debt, and we measure "total capitalization" as the sum of equity, excluding unrealized gains and losses on investments, and capital debt.

28. 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.

29. 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 November 2, 2005**

	A.M. Best	Standard & Poor's	Moody's	Fitch Ratings
The Prudential Insurance Company of America	A+	AA-	Aa3	AA-
PRUCO Life Insurance Company	A+	AA-	Aa3	AA-
PRUCO Life Insurance Company of New Jersey	A+	AA-	NR *	AA-
American Skandia Life Assurance Corporation	A+	AA-	NR	AA-
Prudential Retirement Insurance and Annuity Company	A+	AA-	Aa3	AA-
The Prudential Life Insurance Co., Ltd. (Prudential of Japan)	A+	AA-	NR	NR
Gibraltar Life Insurance Company, Ltd.	NR	AA-	A1	NR

**CREDIT RATINGS:
 as of November 2, 2005**

Prudential Financial, Inc.:				
Short-Term Borrowings	AMB-1	A-2	P-2	F1
Long-Term Senior Debt	a-	A-	A3	A
Retail Notes	a-	A-	A3	NR
The Prudential Insurance Company of America :				
Capital and surplus notes	a	A	A2	A
Prudential Funding, LLC:				
Short-Term Debt	AMB-1	A-1+	P-1	F1
Long-Term Senior Debt	a+	AA-	A1	A+
PRICOA Global Funding I				
Long-Term Senior Debt	aa-	AA-	Aa3	AA-

* NR indicates not rated.

INVESTOR INFORMATION:

Corporate Offices:

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 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

Publicly Traded Securities:

Common Stock of Prudential Financial, Inc. is traded on the New York Stock Exchange under the symbol PRU.