

# *An Important Message from Mark Hug*

**VP and Chief Marketing Officer, Individual Life Insurance**

February 19, 2009

Dear Financial Professional:

On February 19, Fitch Ratings lowered the financial strength ratings of Prudential Financial, Inc.'s domestic life insurance subsidiaries from AA- to A+ and senior debt rating from A- to BBB. It also lowered the short-term credit ratings that are applicable to our commercial paper programs: Prudential Funding, LLC (from F1+ to F1) and Prudential Financial, Inc. (from F1 to F2). Fitch's outlook for these ratings is negative.

Prudential strongly disagrees with the rating actions. Fitch acknowledges that Prudential has ample liquidity to meet all of its obligations. It also acknowledged that we have a strong capital position. In short, Fitch has not given us a substantive reason for this unwarranted action.

The attached letter from Prudential Chairman and CEO John Strangfeld and accompanying brochure provide more detail and can be used with your clients. [\[Click here\]](#) for a copy of the letter and brochure].

Our exposure to asset-backed securities collateralized by sub-prime mortgages, which was significantly reduced last year, continues to be a manageable exposure for Prudential. To put this into perspective, our exposure to sub-prime asset-backed securities represents only 3% of the total Financial Services Businesses' investment portfolio. Furthermore, as of December 31, 2008, roughly 80% of this exposure is investment grade.

In comparison to ACLI (American Council of Life Insurers) industry measures, our whole loan commercial mortgage portfolio is underweighted in office and retail properties and well diversified by location. As of December 31, 2008, less than one-half of one percent of the entire portfolio was delinquent or in foreclosure and 94% of our commercial mortgage-backed securities portfolio is AAA rated.

Our businesses are competitive in their markets, our liquidity is ample, and our sources of earnings are diverse. Despite these challenging economic conditions, we remain committed to meeting consumers' life insurance needs, including products that offer lifetime guarantees.

Thank you for your continued business.



Mark Hug  
VP and Chief Marketing Officer, Individual Life Insurance



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