

PRUDENTIAL FINANCIAL INC
Form 424B7
April 03, 2006

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Supplement No. 1

(To Prospectus dated March 16, 2006 and Prospectus Supplement dated March 16, 2006)

\$2,000,000,000

Prudential Financial, Inc.

Floating Rate Convertible Senior Notes due November 15, 2035

This supplement updates and amends certain information contained in the prospectus dated March 16, 2006, as supplemented by the prospectus supplement dated March 16, 2006, relating to the offer and sale from time to time by certain selling securityholders of up to \$2,000,000,000 aggregate principal amount of our Floating Rate Convertible Senior Notes due November 15, 2035, and any Common Stock issuable upon conversion of the notes. The terms of the notes are set forth in the prospectus and prospectus supplement dated March 16, 2006. This supplement is not complete without, and may not be utilized except in connection with, the accompanying prospectus and prospectus supplement dated March 16, 2006, including any amendments or further supplements thereto. This supplement is qualified by reference to the prospectus and prospectus supplement dated March 16, 2006 and any amendments or further supplements thereto, except to the extent that the information in this supplement supersedes the information contained in the prospectus or in the prospectus supplement dated March 16, 2006.

See **Risk Factors** beginning on page S-2 of the prospectus supplement dated March 16, 2006 to read about important factors you should consider before buying the notes.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this supplement or the accompanying prospectus or prospectus supplement. Any representation to the contrary is a criminal offense.

The date of this supplement is April 3, 2006

The information in the table under the caption "Selling Securityholders" in the prospectus supplement dated March 16, 2006 is modified by adding the information below with respect to persons not previously listed in the prospectus supplement dated March 16, 2006 or in any amendments or supplements thereto, and by superseding the information with respect to persons previously listed in the prospectus supplement dated March 16, 2006 or any amendments or supplements thereto with the information that is set forth below.

SELLING SECURITYHOLDERS

| Name | Principal Amount of Notes Beneficially Owned Prior to this Offering | Principal Amount of Notes Offered | Number of Shares of Common Stock Beneficially Owned Prior to this Offering ⁽¹⁾ | Number of Shares of Common Stock Offered ⁽¹⁾ | Principal Amount of Notes Owned After Completion of Offering ⁽²⁾ | Number of Shares of Common Stock Owned After Completion of Offering ⁽²⁾ |
|---|---|-----------------------------------|---|---|---|--|
| Altma Fund SICAV PLC in Respect of Trinity Sub-Fund | \$ 6,732,000 | \$ 6,732,000 | 74,800 | 74,800 | \$0 | 0 |
| AM International E MAC 63 Ltd. | 13,834,000 | 13,834,000 | 153,711 | 153,711 | 0 | 0 |
| Argent Classic Convertible Arbitrage Fund Ltd. | 7,390,000 | 7,390,000 | 82,111 | 82,111 | 0 | 0 |
| Basso Fund Ltd. ⁽⁵⁾ | 700,000 | 700,000 | 7,778 | 7,778 | 0 | 0 |
| Basso Holdings Ltd. ⁽⁵⁾ | 9,700,000 | 9,700,000 | 107,778 | 107,778 | 0 | 0 |
| Basso Multi-Strategy Holding Fund Ltd. ⁽⁵⁾ | 2,100,000 | 2,100,000 | 23,333 | 23,333 | 0 | 0 |
| Black Diamond Offshore Ltd. | 1,586,000 | 1,586,000 | 17,622 | 17,622 | 0 | 0 |
| Blue Cross Blue Shield of Arizona, Inc. | 180,000 | 180,000 | 2,000 | 2,000 | 0 | 0 |
| Blue Cross Blue Shield of Delaware, Inc. | 225,000 | 225,000 | 2,500 | 2,500 | 0 | 0 |
| CareFirst Blue Choice, Inc. | 510,000 | 510,000 | 5,667 | 5,667 | 0 | 0 |
| CareFirst of Maryland, Inc. | 600,000 | 600,000 | 6,667 | 6,667 | 0 | 0 |
| City of Birmingham Retirement & Relief System | 950,000 | 950,000 | 10,555 | 10,555 | 0 | 0 |
| Dr. Stephen J. Darling | 20,000 | 20,000 | 222 | 222 | 0 | 0 |
| Double Black Diamond Offshore LDC | 8,414,000 | 8,414,000 | 93,488 | 93,488 | 0 | 0 |
| GEO Global Convertible Bond Mutual Fund Represented by Credit Agricole Asset Management | 1,800,000 | 1,800,000 | 20,000 | 20,000 | 0 | 0 |
| GRD 8 Mutual Fund Represented by Credit Agricole Asset Management | 49,000,000 | 49,000,000 | 544,444 | 544,444 | 0 | 0 |
| Group Hospitalization and Medical Services, Inc. | 935,000 | 935,000 | 10,389 | 10,389 | 0 | 0 |
| HealthNow New York, Inc. | 275,000 | 275,000 | 3,055 | 3,055 | 0 | 0 |
| Lehman Brothers, Inc. ⁽⁴⁾ | 168,000,000 | 168,000,000 | 1,866,648 | 1,866,648 | 0 | 0 |
| Liechtensteinische Landesbank | 650,000 | 650,000 | 7,222 | 7,222 | 0 | 0 |
| Lyxor/AM Investment Fund Limited | 5,050,000 | 5,050,000 | 56,111 | 56,111 | 0 | 0 |
| Dr. Lawrence Muroff | 130,000 | 130,000 | 1,444 | 1,444 | 0 | 0 |
| UBS AG London fbo WCBP ⁽³⁾ | 40,000,000 | 40,000,000 | 44,444 | 44,444 | 0 | 0 |
| Other securityholders ⁽⁶⁾⁽⁷⁾ | 1,071,097,000 | | 11,901,066 | | | |

(1) Assumes conversion of all of the holders' notes at the maximum initial conversion rate of 11.1111 shares per \$1,000 principal amount of notes. However, the maximum conversion rate is subject to adjustment as described under "Description of Notes - Conversion Rights - Conversion Price Adjustments." As a result, the amount of Common Stock issuable upon conversion of the notes may increase or decrease in the future.

- (2) Assumes that all of the notes and/or all of the Common Stock into which the notes are convertible are sold.
- (3) This selling securityholder has identified itself as an affiliate of a broker-dealer.
- (4) This selling securityholder has identified itself as a broker-dealer.
- (5) Basso Capital Management L.P. (Basso) is the investment manager to Basso Fund Ltd., Basso Holdings Ltd. and Basso Multi-Strategy Holding Fund Ltd. (collectively the Funds). Howard Fischer is a managing member of the Basso GP LLC, the General Partner of Basso and has ultimate responsibility for trading with respect to the Funds. For purposes of the reporting requirements of the Exchange Act, Mr. Fischer may be deemed to be the beneficial owner of the notes; however, Mr. Fischer has expressly disclaimed that he is, in fact, the ultimate beneficial owner of the notes.
- (6) Reflects securities held by securityholders who have not provided us with resale information. Such securityholders may not use the prospectus supplement dated March 16, 2006 to sell notes or shares of our Common Stock issuable upon conversion of the notes until they are identified in an amendment to the registration statement of which this supplement is a part or in additional supplements. Information about other selling securityholders will be set forth in an amendment to the registration statement of which this supplement is a part or in additional supplements, as required.
- (7) Assumes that any other holders of notes, or any future transferees, pledgees, donees or successors of or from any such other holders of notes, do not beneficially own any Common Stock other than the Common Stock issuable upon conversion of the notes.