PRUDENTIAL FINANCIAL INC

Form 4

January 23, 2008

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

3235-0287

Expires:

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Check this box

Form 5 obligations may continue. See Instruction

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * Baird Edward P

2. Issuer Name and Ticker or Trading

5. Relationship of Reporting Person(s) to Issuer

Symbol

PRUDENTIAL FINANCIAL INC

[(PRU)]

(Check all applicable)

Executive Vice President

01/18/2008

(Last) (First) 3. Date of Earliest Transaction (Month/Day/Year)

X_ Officer (give title below)

10% Owner Other (specify

C/O PRUDENTIAL FINANCIAL. INC., 751 BROAD STREET, 4TH

(Middle)

(Zip)

FLOOR

4. If Amendment, Date Original

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check

Applicable Line)

Director

(Street)

X Form filed by One Reporting Person Form filed by More than One Reporting

NEWARK, NJ 07102

(City) (State) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)

2. Transaction Date 2A. Deemed (Month/Day/Year)

Execution Date, if

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 8) (Instr. 3, 4 and 5)

5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (Instr. 4) (Instr. 4)

(A)

Reported Transaction(s) (Instr. 3 and 4)

Code V Amount (D) Price

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1474 (9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transac Code (Instr. 8		5. Number of orDerivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option (right to buy) (1)	\$ 80	01/18/2008		A		44,743		(2)	01/18/2018	Common Stock	44,743
Restricted Stock Units (3)	\$ 80	01/18/2008		A		15,909		<u>(4)</u>	01/18/2018	Common Stock	15,909

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Baird Edward P C/O PRUDENTIAL FINANCIAL, INC. 751 BROAD STREET, 4TH FLOOR NEWARK, NJ 07102

Executive Vice President

Signatures

By: /s/ Kathleen M. Gibson, Attorney-in-fact

01/23/2008

**Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
 - The number of stock options awarded to the Reporting Person was determined by dividing 40 percent of the total compensation value being awarded by the fair value of the Issuer's Stock Options based on the average closing price of the Issuer's Common Stock on the
- New York Stock Exchange for the final 20-day trading period in December 2007, or \$94.29. The fair value of the Issuer's Stock Options was developed under a binomial option pricing model, which is a complex, mathematical formula.
- (2) The option vests with 50% after 2 years on 1/18/2010, 25% after year 3 on 1/18/2011, and 25% after year 4 on 1/18/2012.
- The number of Restricted Stock Units awarded to the Reporting Person was determined by dividing 60 percent of the total compensation value being awarded by the average closing price of the Issuer's Common Stock on the New York Stock Exchange for the final 20-day trading period in December 2007, or \$94.29.
- (4) The restricted stock units vest with 50% after 2 years on 1/18/2010, 25% after year 3 on 1/18/2011, and 25% after year 4 on 1/18/2012. Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Reporting Owners 2

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