

PRUDENTIAL FINANCIAL, INC.

SOCIAL INVESTMENT PROGRAM

Community Development Venture
Capital Alliance
Annual Conference
March 2005



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Social Investment Program

- Created in 1976 - \$1 billion total to date
- Focuses on social impact; economic return is secondary
- Funds capital gaps not addressed by mainstream markets

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Annual Budget

Prudential corporate social investments
\$50 million

The Prudential Foundation program-related investments
\$10 million

Program Total \$ 60 million

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Outstanding Commitments by Program Category

Affordable Housing	\$ 228,617,118	57.5%
Education	30,595,000	7.7%
Job Creation	134,131,300	33.7%
Other	4,425,000	1.1%
Total	\$ 397,768,418	100.0%

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Geographic Targets

- Jacksonville
- Los Angeles
- Minneapolis
- Newark
- Philadelphia
- Atlanta
- Chicago
- Hartford
- Houston
- Phoenix
- Washington, DC

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Outstanding Commitments by Investment Type

Mortgages	61,438,050	15.4%
Non-mortgage Debt	149,098,000	37.5%
Total Debt	210,536,050	52.9%
Common Stock	8,287,750	2.1%
Preferred Stock	6,500,000	1.6%
Real Estate Equity	135,582,118	34.1%
Other Equity	36,862,500	9.3%
Total Equity	187,232,368	47.1%
Total	397,768,418	100.0%

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Social Investment Portfolio

“Channel” type:

- Direct 34.7%
- Intermediary 65.3%

2004 Net Yield:

- Prudential corporate social investments 6.1%
- The Prudential Foundation program-related investments 0.5%

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Venture Funds

Current portfolio:

- Equity 6.5% of portfolio
- Debt 4.3% of portfolio

New investments (2000 – 2004 average):

- two investments per year
- \$7 million per year

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