Northwestern Mutual to provide record $5.6 billion in dividends to policyowners

MILWAUKEE, Oct. 28, 2015 /PRNewswire/ -- Northwestern Mutual will provide an estimated$5.6 billion to policyowners through its 2016 dividend payout. The payout will be a record amount for the financial security leader and is expected to exceed its estimated 2015 payout by $120 million.

"Because we are a mutual company focused on providing policyowners with the best product value, we're proud to again pay industry-leading dividends on both our life and disability income insurance products," said **John Schlifske**, Northwestern Mutual chairman and chief executive officer.

"Sharing our success with policyowners has been a long-standing tradition for Northwestern Mutual," said Schlifske, who noted that the company has made a dividend payout every year since 1872. [1]

Record dividends declared
About 90 percent of the$5.6 billion payout will be paid to traditional permanent life insurance policyowners. The majority of those policyowners are expected to use their dividends to buy more life insurance.

With the 2016 payout, Northwestern Mutual expects to pay record dividends on traditional permanent life insurance and numerous other products, including:

$4.9 billion on traditional permanent life insurance
$340 million on disability income insurance
$155 million on term life insurance
$115 million on variable life insurance

In addition, Northwestern Mutual expects to pay$55 million in dividends on its annuity product line, including nearly$27 million on its relatively new suite of Portfolio Income Annuities.

Northwestern Mutual is able to pay industry-leading dividends because of its strong operating fundamentals, including years of high persistency, low expenses, favorable claims experience and sound long-term investing.

The majority (about two-thirds) of Northwestern Mutual's traditional permanent life insurance dividend payout is the result of favorable mortality and expenses. Interest from investment earnings make up about one-third of the payout. In 2016, the company's dividend scale interest rate on unborrowed funds for most traditional permanent life insurance will be 5.45 percent.

[1] *Dividends may be declared and credited at the Board of Trustees' discretion when current experience in areas such as investment earnings, mortality, morbidity and expenses is more favorable than the original assumptions used to establish policy premiums and guaranteed values. Future dividends are not guaranteed.*

About Northwestern Mutual

Northwestern Mutual has been helping families and businesses achieve financial security for nearly 160 years. Our financial representatives build relationships with clients through a distinctive planning approach that integrates risk management with wealth accumulation, preservation and distribution. With $230 billion in assets, $27 billion in revenues, nearly $90 billion in assets under management in our investment products and services, and more than $1.5 trillion worth of life insurance protection in force, Northwestern Mutual delivers financial security to 4.3 million people who rely on us for insurance and investment solutions, including life, disability income and long-term care insurance; annuities; trust services; mutual funds; and investment advisory products and services. Northwestern Mutual is recognized by FORTUNE magazine as one of the "World's Most Admired" life insurance companies in 2015.

Northwestern Mutual is the marketing name for The Northwestern Mutual Life Insurance Company, Milwaukee, WI, and its subsidiaries. Northwestern Mutual and its subsidiaries offer a comprehensive approach to financial security solutions including: life insurance, long-term care insurance, disability income insurance, annuities, life insurance with long-term care benefits, investment products, and advisory products and services. Subsidiaries include Northwestern Mutual Investment Services, LLC, broker-dealer, registered investment adviser, member FINRA and SIPC; the Northwestern Mutual Wealth Management Company, limited purpose federal savings bank; and Northwestern Long Term Care Insurance Company.

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