Northwestern Mutual to pay $5.2 billion in dividends to policyowners

MILWAUKEE, Oct. 26, 2016 /PRNewswire/ -- Northwestern Mutual announced today the company will provide an estimated $5.2 billion to its policyowners through its 2017 dividend payout. This is one of the highest payouts in the company's almost 160-year history, representing an excellent value in the current economic environment of prolonged low interest rates.

"Our policyowners can feel very good that their company pays more dividends than any other company in the industry," said Chairman and CEO John Schlifske. "No other company even approaches the amount Northwestern Mutual pays in dividends – and our 2017 payout will be no exception."

Record payouts on numerous products
About 85 percent of the $5.2 billion payout will be paid to traditional permanent life insurance. Northwestern Mutual also expects to pay record dividends on several other product lines. This includes $360 million on disability income insurance, $165 million on term life and $60 million on annuities. In addition, Northwestern Mutual expects to pay $110 million on variable life insurance. In 2017, the company's dividend scale interest rate on unborrowed funds for most traditional permanent life insurance will be 5.00 percent.

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.

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

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 $238.5 billion in assets, $27.9 billion in revenues and more than $1.6 trillion worth of life insurance protection in force, Northwestern Mutual delivers financial security to more than 4.4 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 ranks 100 on the 2016 FORTUNE 500, and is recognized by FORTUNE as one of the "World's Most Admired" life insurance companies in 2016.

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** (NMIS), broker-dealer, registered investment adviser, member FINRA and SIPC; the Northwestern Mutual Wealth Management Company (NMWMC), federal savings bank; and Northwestern Long Term Care Insurance Company (NLTC).

The dividend scale and the underlying interest rates are reviewed annually and are subject to change. Future dividends are not guaranteed, although Northwestern Mutual has paid a dividend every year since 1872.

SOURCE Northwestern Mutual

For further information: John Gardner, 1-800-323-7033, mediarelations@northwesternmutual.com

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