

Fitch, S&P Global Affirm Northwestern Mutual's Financial Strength Ratings

Agencies Highlight Strong Competitive Position, Operating Performance and Exclusive Distribution System

MILWAUKEE, June 27, 2018 /PRNewswire/ -- Fitch Ratings and S&P Global Ratings have once again confirmed Northwestern Mutual's financial strength at the highest possible ratings from each agency. Reports issued this month affirmed the AAA rating from Fitch and AA+ from S&P Global.

S&P Global noted that the company has an "extremely strong competitive position that stems from its national presence and top market position as one of the leading providers" of individual permanent life insurance in the country. According to Fitch, the company has an "exceptionally strong capitalization" and a "conservative liability profile" based on the fact that approximately 80 percent of Northwestern Mutual's General Account reserves are permanent life insurance, considered to have stable reserve requirements and a low-risk product design. Both agencies also highlighted competitive advantages such as the company's strong financial results and Northwestern Mutual's highly productive career distribution system of financial advisors.

"The affirmation of our ratings shows that the long-term commitment of Northwestern Mutual to help its clients achieve financial security remains sound," said Todd Jones, vice president and controller. "Our financial performance and core operating fundamentals continue to demonstrate how we are best positioned to meet our commitments to our clients."

Key drivers

Key drivers identified by Fitch and S&P Global for the ratings include:

A highly effective and productive distribution system, which is viewed as a competitive advantage by both agencies.

The historical stability of company earnings resulting from low expense levels and high persistency in its life insurance products, among other factors.

The company being uniquely positioned by having almost all of its insurance products eligible to participate in dividends, according to Fitch.

The company's General Account investment portfolio consisting of "a well-diversified bond portfolio of strong credit quality complemented by investments in commercial mortgages, real estate, and alternative investments," according to S&P Global.

The company's strong enterprise risk management reflecting a positive risk management culture, according to S&P Global.

Northwestern Mutual maintaining its cost leadership position while innovating and investing in new digital capabilities to improve the client experience.

Industry-leading financial strength ratings

With this latest affirmation, Northwestern Mutual continues to have the highest financial strength ratings awarded to any U.S. life insurer by all four of the major rating agencies: A.M. Best Company, A++ (highest), April 2018; Fitch Ratings, AAA (highest), June 2018; Moody's Investors Service, Aaa (highest), January 2018; and S&P Global Ratings, AA+ (second highest), June 2018. Third-party ratings are subject to change. Ratings are for The Northwestern Mutual Life Insurance Company and Northwestern Long Term Care Insurance Company.

For more information, see the [Our Commitment to Financial Strength](#) page on northwesternmutual.com.

About Northwestern Mutual

[Northwestern Mutual](#) has been helping families and businesses achieve financial security for more than 160 years. Through a distinctive, whole-picture planning approach, we empower our clients to make the most of every single day and plan for important moments in their future. We combine the expertise of our financial professionals with a personalized digital experience to help our clients navigate their financial lives every day. With \$265.0 billion in assets, \$28.1 billion in revenues, and more than \$1.8 trillion worth of life insurance protection in force, Northwestern Mutual delivers financial security to more than 4.5 million people who rely on us for life, disability income and long-term care insurance, annuities, brokerage and advisory services, trust services, and discretionary portfolio management solutions. The company manages more than \$125 billion of client assets through its wealth management and investment services. Northwestern Mutual ranks 104 on the 2018 FORTUNE 500 and is recognized by FORTUNE® as one of the "World's Most Admired" life insurance companies in 2018.

Northwestern Mutual is the marketing name for The Northwestern Mutual Life Insurance Company (NM), Milwaukee, WI (life and disability insurance, annuities, and life insurance with long-term care benefits) 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) (securities), broker-dealer, registered investment adviser, member FINRA and SIPC; the Northwestern Mutual Wealth Management Company® (NMWMC) (fiduciary and fee-based financial planning services), federal savings bank; and Northwestern Long Term Care

Insurance Company (NLTC) (long-term care insurance).

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For further information: Jean Towell, 1-800-323-7033, mediarelations@northwesternmutual.com

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