

Northwestern Mutual 2022 Financial Results Showcase Unrivalled Financial Strength Alongside Exceptional Business Growth

Record revenue and surplus, strong gains across insurance and wealth businesses, highly productive advisor force, and transformational investments in client experience accelerate company's performance

MILWAUKEE, Feb. 22, 2023 /PRNewswire/ -- Financial strength remains a hallmark for Northwestern Mutual as the 166-year-old company once again reported historically strong annual business performance. Between its distinct approach to comprehensive financial planning, industry-leading life insurance offerings, the continued growth of its wealth management business and highly productive field force of advisors, Northwestern Mutual's results underscore that financial strength goes hand-in-hand with superior company and client financial outcomes.

Northwestern Mutual concluded 2022 with record revenue of nearly \$35 billion and total surplus of over \$37 billion¹ while continuing to top the industry in individual life insurance sales. As a mutual company, Northwestern Mutual shares its success with policyowners in the form of [annual dividends](#), which are expected to reach \$6.8 billion in 2023 – its largest-ever payout. The record-setting dividend will be nearly triple Northwestern Mutual's nearest competitor and is a testament to its sound underwriting and diligent financial and investment management.

"Our commitment to maintaining exceptional financial strength is unwavering. It is our bedrock, enabling us to fulfill the promises we have made to policyowners, while also actively investing in our people, our financial advisors, and the experience we deliver to the millions of clients we proudly serve," said John Schlifske, CEO of Northwestern Mutual. "This past year we again achieved remarkable milestones as a company, all while managing through historic economic and market headwinds. Just as important, we continued to empower our clients to confront uncertainty with confidence, through a comprehensive planning experience, guided by our trusted financial advisors, and backed by the unsurpassed product value and strength of the company."

Among the standout results for 2022:

Record revenue reaching an all-time high of nearly **\$35 billion**.

Permanent life insurance sales of nearly **\$1.1 billion²**, a **company record**, and life insurance premium of nearly **\$1.5 billion**, the second-highest year ever. Northwestern Mutual also maintained its number one individual life insurance sales ranking and increased market share.

Record total surplus of over **\$37 billion¹**, despite the largest equity market declines since 2008.

The company's wealth business saw its second-highest annual net cash flows of nearly **\$22 billion**, now with **\$227 billion in total client assets**.

Eclipsed **five million total clients** across all Northwestern Mutual product lines, including life insurance, disability insurance, long-term care insurance, annuities and wealth management.

Expected 2023 dividend of **\$6.8 billion** to policyowners.

Investing in our strategy, while remaining financially disciplined

Northwestern Mutual continues to invest in elevating the experience through enhanced planning, digital application capability, greater advisor support, and expansion of its products solutions. Simultaneously, the company's financial discipline remains steadfast.

Client experience benefits from advisors now being able to leverage an end-to-end, completely digital method of applying for, approving and delivering eligible term and whole life products in as few as two days.

The company has continued to invest in new advisor recruiting and development, leadership, and support for its sophisticated wealth management advisor firms. It finished 2022 with 7,499 full-time financial professionals across the country, the largest and most diverse group in the company's history. The company also welcomed over 265 interns in 2022, a 40% increase from 2021, and key to its efforts to cultivate the next generation of talent.

2022 saw enhanced insurance product offerings. A new combination [life insurance/long-term care "hybrid" product](#) expanded and differentiated the company's suite of long-term care solutions. In addition, Northwestern Mutual introduced [enhanced definitions of disability](#) – the most robust now available in the industry – increasing the company's competitive position in the disability insurance market.

"Our company's readiness, resilience and ability to succeed in any economic environment has kept us at the forefront of the financial services industry, allowed us to deepen our relationships with and serve more clients, and grow our reach in the marketplace," said Schlifske. "As we look ahead to serving our clients in this rapidly changing world, I am confident that the core values that have served us for more than 165 years continue to be as relevant today as they were when our company was founded."

Demonstrating Northwestern Mutual's [superior financial strength](#), all four major rating agencies – A.M. Best, Fitch Ratings, S&P Global Ratings and Moody's – have awarded the company their highest available financial strength ratings available to any U.S. insurer and a stable outlook for 2022. This makes Northwestern Mutual one of only six companies across all industries to be so recognized by Moody's. Northwestern Mutual's distinctive approach to comprehensive financial planning continues to earn recognition as the only financial services company ranking among the top 10 in both [the J.D. Power 2022 U.S. Individual Life Insurance](#) Overall Customer Satisfaction Ranking and [the J.D. Power 2022 U.S. Full-Service Investor Satisfaction Study](#).

About Northwestern Mutual

[Northwestern Mutual](#) has been helping people and businesses achieve financial security for more than 165 years. Through a comprehensive planning approach, Northwestern Mutual combines the expertise of its [financial professionals](#) with a personalized digital experience and industry-leading products to help its clients plan for what's most important. With \$558 billion³ of total assets being managed across the company's institutional portfolio as well as retail investment client portfolios, nearly \$35 billion in revenues, and \$2.2 trillion worth of life insurance protection in force, Northwestern Mutual delivers financial security to more than five million people with life, disability income and long-term care insurance, annuities, and brokerage and advisory services. Northwestern Mutual ranked 97 on the 2022 FORTUNE 500.

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. Subsidiaries include **Northwestern Mutual Investment Services, LLC** (NMIS) (investment brokerage services), broker-dealer, registered investment adviser, member FINRA and SIPC; the Northwestern Mutual Wealth Management Company® (NMWMC) (investment advisory and services), federal savings bank; and Northwestern Long Term Care Insurance Company (NLTC) (long-term care insurance). **Not all Northwestern Mutual representatives are advisors. Only those representatives with "Advisor" in their title or who otherwise disclose their status as an advisor of NMWMC are credentialed as NMWMC representatives to provide investment advisory services.**

¹ Total surplus includes surplus and Asset Valuation Reserve (AVR).

² Excluding sales of bank- and company-owned life insurance (BOLI/COLI).

³ Includes investments and separate account assets of Northwestern Mutual as well as retail investment client assets held or managed by Northwestern Mutual.

Summary of Operations

(Statutory basis, in millions)

For the years ended December 31:	2022		2021	
Premiums	\$	22,288	\$	22,771
Net investment income		11,768		10,447
Other income		840		814
Total revenue		34,896		34,032

Policyowner benefits paid	11,707	12,022
Increase in benefit reserves	11,734	11,931
Commissions and expenses	4,158	4,048
Total benefits and expenses	27,599	28,001
Gain before dividends and taxes	7,297	6,031
Policyowner dividends	6,833	6,522
Gain (loss) before taxes	464	(491)
Income tax benefit	(160)	(1,166)
Net gain from operations	624	675
Net realized capital gains	288	303
Net income	\$ 912	\$ 978

The summarized financial statements above were prepared on the statutory basis of accounting. Financial statements prepared on the statutory basis of accounting differ materially from financial statements prepared in accordance with generally accepted accounting principles ("GAAP").

Summary of Financial Position
(Statutory basis, in millions)

As of December 31:	2022	2021
Bonds	\$ 187,268	\$ 179,121
Mortgage loans	51,798	47,844
Policy loans	17,653	17,208
Common and preferred stocks	2,539	4,242
Real estate	2,906	3,113
Other investments	30,108	29,184
Cash and short-term investments	4,476	3,786
Total investments	296,748	284,498

Other assets	9,361	7,773
Separate account assets	34,281	42,383
Total assets	\$ 340,390	\$ 334,654
Policy benefit reserves	\$ 242,443	\$ 230,034
Deposit funds	10,987	8,303
Policyowner dividends payable	6,820	6,505
Other liabilities	8,798	10,413
Separate account liabilities	34,281	42,383
Liabilities (excluding AVR)	303,329	297,638
Asset valuation reserve (AVR)	7,176	7,733
Surplus	29,885	29,283
Surplus and AVR	37,061	37,016
Total liabilities and surplus	\$ 340,390	\$ 334,654

The summarized financial statements above were prepared on the statutory basis of accounting. Financial statements prepared on the statutory basis of accounting differ materially from financial statements prepared in accordance with generally accepted accounting principles ("GAAP").

SOURCE Northwestern Mutual

For further information: PAUL IMIG, 1-800-323-7033, mediarelations@northwesternmutual.com

<https://news.northwesternmutual.com/2023-02-22-Northwestern-Mutual-2022-Financial-Results-Showcase-Unrivaled-Financial-Strength-Alongside-Exceptional-Business-Growth>