

## Standard & Poor's affirms Northwestern Mutual's financial strength rating

MILWAUKEE, June 20, 2012 /PRNewswire/ -- Standard and Poor's has affirmed the AA+ insurance financial strength rating for Northwestern Mutual and Northwestern Long Term Care Insurance Company.

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Northwestern Mutual continues to hold the [highest financial strength ratings awarded](#) to any life insurer by all four of the major credit rating agencies: A.M. Best Company, A++ (highest) 4/2012; Fitch Ratings, AAA (highest), 8/2011; Moody's Investors' Service Aaa (highest), 6/2011; and Standard & Poor's AA+ (second highest), 6/2012. Third-party ratings are subject to change.

In its report dated June 19, 2012, Standard and Poor's highlighted factors that account for the companies' "extremely strong competitive position in the U. S. insurance market." According to the report, "Northwestern maintains one of the premier life insurance distribution systems in the industry. The group is very successful with its professional and productive sales force and high-quality products, including its flagship dividend-paying permanent life insurance products."

"Our financial strength ratings continue to reflect the advantages of our mutual structure, whether it be our focus on participating dividends and product value or our ability to protect the surplus base from extreme economic cycles," says Chris Kelly, Northwestern Mutual vice president and controller. "It's very gratifying to us that year after year we are able to deliver both financial strength and excellent product value to our policyowners and clients."

The report also states, "The company is a premier provider of financial security products and expert guidance to its clients. It maintains a strong and defensible competitive advantage because of its brand name, quality field force, competitive policyowner dividends, and continued focus on providing customers with value-added products and services."

### Report highlights strengths

Other comments from the report, which can viewed in its entirety [atnorthwesternmutual.com](http://northwesternmutual.com), include the following.

"We view Northwestern's management and corporate strategy as 'strong'. An experienced management team led by CEO John Schlifske facilitates a consistent strategy and execution."

"Northwestern maintains conservative financial management, as demonstrated by its very strong liquidity and very strong capital. The company has avoided the pitfalls of many peers that have entered into other lines of business with limited success."

"Northwestern's risk-management culture is strong, with management across the organization committed to ERM. It has a comprehensive ERM risk control matrix with a unique set of checks and balances. Management's mission emphasizes policyholder security first and then performance."

"We view Northwestern's operating performance as "very strong", reflecting favorable underwriting results and investment margins, excellent policyowner persistency, and expense efficiency. A strict approach to underwriting has resulted in mortality experience that's consistently within pricing expectations, while a track record of strong investment performance has produced favorable investment margins."

### About Northwestern Mutual

The Northwestern Mutual Life Insurance Company – Milwaukee, WI ([Northwestern Mutual](#)) – among the "World's Most Admired" life insurance companies in 2012 according to FORTUNE® magazine – has helped clients achieve financial security for more than 155 years. As a mutual company with \$1.2 trillion of life insurance protection in force, Northwestern Mutual has no shareholders. The company focuses solely and directly on its clients and seeks to deliver consistent and dependable value to them over time. Northwestern Mutual and its subsidiaries offer a holistic approach to financial security solutions including: [life insurance](#), [long-term care insurance](#), [disability insurance](#), [annuities](#), [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](#); and [Russell Investments](#).

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