Fitch affirms Northwestern Mutual's AAA rating, the highest possible rating

MILWAUKEE, Feb. 3, 2014 /PRNewswire/ -- Fitch Ratings has affirmed the AAA insurance financial strength rating for Northwestern Mutual and Northwestern Long Term Care Insurance Company, citing the company's "leading competitive position in the U.S. individual life insurance market" among other reasons.

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With this latest affirmation, the company continues to hold the highest financial strength ratings awarded to any life insurer by all four of the major credit rating agencies.

"Northwestern's business concentration in the sale of traditional cash value life insurance through a strong career distribution system gives the company very favorable credit characteristics (e.g., long-duration liabilities, limited guarantees, predictable earnings performance) that enhance NM's risk profile and earnings," the rating agency said in its Jan. 30 press release.

The agency also highlighted Northwestern Mutual's strong balance sheet. "Total adjusted statutory capital increased $1.2 billion or 5 percent to $23.1 billion in the first nine months of 2013 due to positive contributions from statutory operating earnings and investment gains."

Well positioned for environment
While all insurers have been affected by low interest rates, Fitch noted that Northwestern Mutual is well positioned for the environment.

"Fitch also believes Northwestern's stable, long-duration participating liabilities, very strong statutory capital position and flexibility in adjusting policyowner dividend rates provide cushion to withstand the current interest rate environment and unexpected losses in its investment portfolio."

If Fitch were to downgrade the United States' credit rating, the agency said Northwestern Mutual and other highly rated insurers may continue to be rated above the sovereign rating. "Fitch's opinion is that these companies are structurally shielded from foreign exchange transfer and convertibility risks, and their financial condition is sufficient to withstand a sovereign crisis."

For more information, see the Financial Strength Ratings page in the About Northwestern Mutual section of northwesternmutual.com.

About Northwestern Mutual
Northwestern Mutual is among the "World's Most Admired" life insurance companies in 2013 according to FORTUNE® magazine and has helped clients achieve financial security for more than 156 years. As a mutual company with $1.4 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 is the marketing name for The Northwestern Mutual Life Insurance Company,Milwaukee, WI, and its subsidiaries. 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;Northwestern Long Term Care Insurance Company; and Russell Investments.

Current ratings for Northwestern Mutual and Northwestern Long Term Care Insurance Company: A.M. Best Company A++ (highest), April 2013; Fitch Ratings AAA (highest), January 2014; Moody's Investors Service Aaa (highest), January 2014; and Standard & Poor's AA+ (second highest), June 2013. Ratings are subject to change.

SOURCE Northwestern Mutual

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