

Northwestern Mutual Report: The Power of the Portfolio

MILWAUKEE ([BUSINESS WIRE](#)), July 14, 2011 - [Northwestern Mutual](#) the “World’s Most Admired” life insurance company in 2011 according to FORTUNE® magazine, has released *The Power of the Portfolio*, a report outlining the strategy of the company’s general investment account, which at year-end 2010 included approximately \$142 billion of managed assets backing the company’s insurance and annuities products.

[The report](#) gives insight into the overall investment strategy, asset allocation and performance of the firm’s general investment account, and explains how this portfolio helps build cash value in permanent life insurance policies and, in 2011, contributes to the company’s [\\$4.9 billion dividend payout](#) to participating policyowners in 2011, which includes the largest life insurance payout in the industry¹.

“Northwestern Mutual’s financial strength, and the [guaranteed growth in cash value](#) that our policyholders have in their Northwestern Mutual [permanent life insurance policies](#), are possible in part because of the power of the company’s general account investment portfolio,” says Mark Doll, executive vice president and chief investment officer, Northwestern Mutual.

The Power of the Portfolio report is being released at the same time that Northwestern Mutual is seeing continued strong growth across its risk products. Earlier this year, Northwestern Mutual announced that sales of its risk products increased across the board and [set company records in 2010](#). And, more recently, Blease Research cited [Northwestern Mutual’s permanent life insurance](#) as providing the highest cash value rate of return² among major insurance companies. The company outperforms the nearest competitor by 25%, and has increased its lead for five consecutive years³.

“We are seeing an uptick in the use of our planning tools, signifying that individuals are truly looking holistically at both their risk and investment needs over the long term,” says Doll. “In fact our [research](#) indicates consumers have widened their time horizons and are returning to basic, sensible financial choices. The challenge is sticking with it.”

Northwestern Mutual maintains the best possible insurance financial strength ratings from all four major rating agencies: A.M. Best, A++; Fitch Ratings, AAA; Moody’s Investors Service, Aaa; and Standard & Poor’s, AAA. (Third-party ratings are current as of 6/1/2011 and are subject to change.)

About Northwestern Mutual

The [Northwestern Mutual Life Insurance Company](#) – Milwaukee, WI (Northwestern Mutual) has helped clients achieve financial security for more than 150 years. As a mutual company with \$1.2 trillion of [life insurance](#) protection in force, Northwestern Mutual seeks to share its gains with policyowners and deliver consistent and dependable value to clients 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](#).

¹ Northwestern Mutual has paid a dividend every year since 1872. Future dividends are not guaranteed.

² Source: Blease Research Full Disclosure 2011 Whole Life Edition (www.full-disclosure.com). Cash value internal rates of returns (IRRs) are based on actual dividends used to purchase additions. The IRR is the level annual return needed on premium to produce the respective value or benefit. A higher IRR is, of course, more favorable. The IRRs do not take into account the time value of money.

³ Policy results are based on \$250,000 whole life policies issued in 1991 to 45 year old males (best underwriting class unless otherwise noted). Premiums vary by company.