

Northwestern Mutual Announces Record Dividend Payout For 2013

Company expects to lead industry in total life, disability and LTC dividends

MILWAUKEE, Oct. 31, 2012 /PRNewswire/ -- Northwestern Mutual will reach another financial milestone in 2013: its largest dividend payout ever. The company expects to pay more than \$5 billion in policyowner dividends, an increase of \$65 million over its 2012 payout.

(Logo: <http://photos.prnewswire.com/prnh/20120126/CG42140LOGO>)

With this record payout, the company expects to again lead the industry by a wide margin in total life, disability and long-term care insurance dividends paid. The payout includes more than \$4.6 billion in ordinary life insurance dividends, more than double the ordinary life insurance dividends of its nearest competitor.

"We're showing again our ability to deliver consistent long-term value in all environments," said **John Schlifske**, chairman and CEO. "While companies are feeling the impact of the low rate environment, our focus on fundamentals gives us a real advantage."

According to Schlifske, the company's ability to stay focused on disciplined expense management, careful underwriting and prudent investing – while avoiding product fads – provides a consistently winning formula.

In 2013, the company's dividend payout will include a dividend scale interest rate on unborrowed funds for most permanent life insurance products of 5.60 percent.

Highlights by product lines

About 90 percent of the more than \$5 billion payout will go to the company's participating **permanent life insurance** policyowners.

"We are about making people more financially secure by giving them the best value we can," said Schlifske. "I know our policyowners are happy with their choices because while they could take their whole life dividends as cash, about 80 percent use dividends to buy more life insurance."

Northwestern Mutual is one of only a few companies that also pays dividends on its other product lines:

Term life insurance – Northwestern Mutual expects to pay a record \$140 million in dividends to term life insurance policies.

Disability income (DI) insurance – The company expects to reach \$278 million in DI dividends, a record payout for the product line.

Long-term care (LTC) insurance – The board of directors of Northwestern Long Term Care Insurance Company has approved a dividend of \$7 million on LTC policies.

Fixed and variable annuities – The annuity product line, including its new Portfolio Deferred Income Annuity, is expected to pay \$30 million in dividends.

Additional benefits on life insurance – Northwestern Mutual expects to pay \$92 million on benefits such as waiver of premium.

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; [Northwestern Long Term Care Insurance Company](#); and [Russell Investments](#).

SOURCE Northwestern Mutual

For further information: Betsy Hoylman, 1-800-323-7033, mediarelations@northwesternmutual.com

<https://news.northwesternmutual.com/news-releases?item=122656>