



Consolidated¹ Statutory Financial Highlights First Quarter 2010

May 14, 2010, Springfield, Mass. – For the three months ended March 31, 2010, net gain from operations before dividends and taxes was \$412 million compared to \$418 million during the same period in 2009. Revenue for the quarter was \$4,000 million compared to \$4,559 million during the same period in 2009. Benefits and expenses were \$3,588 million compared to \$4,141 million during the same period in 2009. Total net income (loss), including net realized capital losses, was \$45 million compared to \$(164) million during the same period in 2009. The Company’s surplus increased to \$9,592 million from \$9,259 million at year-end 2009.

“During the first quarter, MassMutual’s profitability grew solidly while we were also able to further bolster our strong surplus position and achieve new and important sales milestones,” said Michael Rollings, Executive Vice President and Chief Financial Officer, Massachusetts Mutual Life Insurance Company (MassMutual). “Most significantly, weighted sales² of whole life insurance, our core product, increased 32 percent from the same period in 2009 - a new first quarter sales record - and sales of retirement plans increased 48 percent. Assets under management continued to trend upward - growing \$8 billion from year end 2009 - amid strong customer cash flows and favorable market performance. We are encouraged by the strong fundamental operating results across our diversified portfolio of businesses, and also by the continued recovery taking hold in the global economy.”

He further explained that the comparative figures for revenue largely reflect a decrease in premium income mostly driven by strategic decisions to exit third-party sales distribution for most annuity products and to reduce exposure to certain types of living benefit guarantees on variable annuities. “These decisions are consistent with our strategy of maintaining long-term financial strength while providing high dividends³ for our participating policyholders.”

Financial Highlights for the first three months of 2010 (compared to same period in 2009 unless otherwise noted):

¹ These consolidated statutory results of Massachusetts Mutual Life Insurance Company include its U.S.-domiciled wholly owned subsidiaries: C.M. Life Insurance Company and MML Bay State Life Insurance Company (collectively, the “Company”).

² Weighted sales are based on weighted annualized new premium, with single premium payments weighted at 10 percent.

³ Dividends are not guaranteed.

- Assets Under Management (AUM) by MassMutual and its subsidiaries⁴ increased to \$428 billion compared to \$420 billion as of year-end 2009, due to strong customer cash flows and favorable market performance. On a year-over-year basis, AUM has increased by 24 percent.
- Surplus totaled \$9,592 million, a 4% increase from \$9,259 million at year end 2009.
- As of March 31, 2010, total invested assets for the Company were \$86,842 million compared to \$86,574 million as of December 31, 2009.
- Revenue was \$4,000 million compared to \$4,559 million.
 - Statutory premium was \$2,808 million compared to \$3,294 million, primarily due to decreases in third-party distribution of annuities, and a significant reduction in sales of certain variable annuities with guaranteed living benefits.
 - Net investment income was \$1,034 million compared to \$1,097 million resulting from lower portfolio yields, due in part to composition changes in the portfolio as well as lower new money rates for fixed income securities, partially offset by an increase in average assets.
- Benefits and expenses were \$3,588 million compared to \$4,141 million, largely the result of lower premium levels as well as lower reserves for product guarantees on variable annuities.
- Consolidated statutory net gain from operations before dividends and taxes was \$412 million compared to \$418 million.
- Dividends to Policyholders were \$283 million compared to \$310 million.
- The Company recorded a net realized capital loss of \$91 million compared to a \$309 million capital loss during the equivalent period in 2009. The reduced losses were primarily the result of decreased asset impairments in the recent quarter as equity and credit markets continued to show improvement.

Investment Highlights (as of March 31, 2010)

- The Company had invested assets of \$86,842 million, which were widely diversified across multiple asset classes, industries and geographic regions
 - Long-term Bonds comprised 60% of the portfolio
 - Mortgage Loans⁵ comprised 14%
 - Policy Loans comprised 10%

⁴ Assets Under Management include assets and certain external investment funds managed by MassMutual subsidiaries, including OppenheimerFunds Inc., Babson Capital Management LLC, Baring Asset Management Limited, and Cornerstone Real Estate Advisers LLC.

⁵ Mortgage loans are comprised of commercial mortgage loans and residential mortgage loan pools. Residential mortgage loan pools are pools of homogeneous residential mortgage loans substantially backed by Federal Housing Administration and Veterans Administration guarantees.

- Partnerships & LLCs comprised 6%
 - Common Stock comprised 3%
 - Short-term Investments & Cash comprised 2%
 - Real Estate comprised 1%
 - Other Investments comprised 4%
- Of the Long-term Bonds, approximately 92% were investment grade.
 - Approximately 27 percent of the Company's bond portfolio was held in U.S. government securities.

About MassMutual

Founded in 1851, MassMutual is a leading mutual [life insurance company](#) that is run for the benefit of its members and participating policyholders. The company has a long history of [financial strength](#) and strong performance, and although dividends are not guaranteed, MassMutual has paid dividends to eligible participating policyholders every year since the 1860s. With [whole life insurance](#) as its foundation, MassMutual provides products to help meet the financial needs of clients, such as [life insurance](#), [disability income insurance](#), [long term care insurance](#), [retirement/401\(k\) plan services](#), and [annuities](#). In addition, the company's strong and growing network of financial professionals helps clients make good financial decisions for the long-term.

MassMutual Financial Group is a marketing name for Massachusetts Mutual Life Insurance Company (MassMutual) and its affiliated companies and sales representatives. MassMutual is headquartered in Springfield, Massachusetts and its major affiliates include: Babson Capital Management LLC; Baring Asset Management Limited; Cornerstone Real Estate Advisers LLC; The First Mercantile Trust Company; MassMutual International LLC; MML Investors Services, Inc., member [FINRA](#) and [SIPC](#); OppenheimerFunds, Inc.; and The MassMutual Trust Company, FSB.

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