



Consolidated¹ Statutory Financial Highlights of Massachusetts Mutual Life Insurance Company (MassMutual) First Quarter 2011

May 13, 2011, Springfield, Mass. – MassMutual’s financial results for the three months ended March 31, 2011 included a significant increase in earnings over the same period in 2010 and record levels of surplus and capital. For the three months ended March 31, 2011, net gain from operations before dividends and taxes increased to \$527 million compared to \$412 million during the same period in 2010. Revenue for the quarter was \$4,434 million compared to \$4,000 million during the same period in 2010. Benefits and expenses were \$3,907 million compared to \$3,588 million during the same period in 2010. Net income was \$182 million compared to \$45 million during the same period in 2010. The Company’s surplus² increased to \$10,573 million from \$10,352 million at year-end 2010.

“Solid operating fundamentals across our businesses continue to generate very strong earnings and capital growth,” said Michael Rollings, Executive Vice President and Chief Financial Officer, MassMutual. “In addition, portfolio yields moderately increased from the same period a year ago, and investment impairments have continued to trend lower as the economic recovery continues to gain traction. Higher net investment spread and asset-based fees, as well as higher premium, are also contributing to stronger earnings in our Life, Annuity, Executive Benefits and Retirement Services businesses. We’ve continued to achieve record levels of surplus and capital as we maintain exceptional financial strength for our participating policyholders.”

Financial Highlights for the first three months of 2011 (compared to same period in 2010 unless otherwise noted):

- Assets Under Management (AUM)³ by MassMutual and its subsidiaries totaled \$461 billion at March 31, 2011 compared to \$448 billion as of year-end 2010, an increase of 3 percent. This increase was due to strong sales and favorable market performance. On a year-over-year basis, AUM increased by 11 percent.
- Surplus totaled \$10,573 million at March 31, 2011, and represented a 2 percent increase from \$10,352 million at year-end 2010. In addition, total adjusted capital totaled \$12,702

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

² Surplus is the amount the Company has on hand after setting aside reserves to meet projected future obligations.

³ Assets Under Management include assets and certain external investment funds managed by MassMutual subsidiaries, including OppenheimerFunds Inc., Baring Asset Management Limited, Babson Capital Management LLC, and its subsidiary, Cornerstone Real Estate Advisers LLC. The results of MassMutual Mercuries Life Insurance Company in Taiwan, which was sold in 2010, have been excluded from all amounts reported.

million, a 2 percent increase from \$12,421 million at year-end 2010, driven by strong operating earnings and improved investment performance.

- As of March 31, 2011, total invested assets of the Company were \$91,704 million compared to \$90,787 million at the end of 2010, with the increase driven by strong sales and favorable market performance.
- Revenue for the first quarter was \$4,434 million, an increase of 11 percent from the same period last year driven by increased statutory premium and net investment income.
 - Statutory premium was \$3,106 million compared to \$2,808 million, primarily due to increases in the Retirement Services and Life Insurance businesses due to lower redemptions and improved persistency.
 - Net investment income was \$1,162 million compared to \$1,034 million resulting from higher portfolio yields and an increase in average assets.
- Benefits and expenses were \$3,907 million compared to \$3,588 million, largely due to higher premium levels.
- Consolidated statutory net gain from operations before dividends and taxes was \$527 million compared to \$412 million.
- Dividends⁴ to eligible participating policyholders were \$282 million compared to \$283 million.
- The Company's net realized capital losses of \$46 million compared to net realized capital losses of \$91 million for 2010, with the improvement primarily the result of a decrease in asset impairments.

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, and its subsidiary Cornerstone Real Estate Advisers LLC; Baring Asset Management Limited; The First Mercantile Trust Company; MassMutual International LLC; MML Investors Services, LLC, member FINRA and SIPC; OppenheimerFunds, Inc.; and The MassMutual Trust Company, FSB.

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⁴ Dividends are determined annually, subject to change and not guaranteed.