



Consolidated¹ Statutory Financial Highlights of Massachusetts Mutual Life Insurance Company (MassMutual) Nine Months Ended September 30, 2011

November 15, 2011, Springfield, Mass. – MassMutual’s financial results for the nine months ended September 30, 2011 included strong revenue and sales growth as well as contributing to record levels of surplus and capital. For the nine months ended September 30, 2011, revenue increased to \$14,459 million compared to \$12,605 million during the same period in 2010. Benefits and expenses were \$13,179 million compared to \$11,294 million during the same period in 2010. Net gain from operations before dividends and taxes was \$1,280 million compared to \$1,311 million during the same period in 2010. Net income was \$374 million compared to \$477 million during the same period in 2010. The Company’s surplus² increased to \$11,200 million from \$10,352 million at year-end 2010.

“Through the first three quarters of 2011, MassMutual’s operating businesses continued to produce strong results with growth in revenue and sales as well as record levels of capital and surplus,” said Michael Rollings, Executive Vice President and Chief Financial Officer. “During the third quarter, we continued to experience historically low interest rates paired with high equity market volatility in reaction to escalating concern over governmental fiscal imbalances and economic issues being faced domestically and across the globe. Despite these economic challenges, MassMutual’s financial strength continues to build with strong growth in capital and surplus and significant liquidity to ensure that we continue to remain well positioned to weather prolonged periods of uncertainty and volatility. Furthermore, MassMutual announced on October 31, 2011 that our Board of Directors approved payment of an estimated \$1.33 billion in dividends³ to eligible participating policyholders in 2012, an increase of \$105.5 million (8.6%) over the prior year. Continuing MassMutual’s history of paying consistent dividends since the 1860s, the 2012 Dividend Schedule reflects our overall commitment to providing value and competitive performance for our policyholders, while maintaining financial strength and stability, even during periods of economic uncertainty.”

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

- Assets Under Management (AUM)⁴ by MassMutual and its subsidiaries totaled \$431 billion at September 30, 2011 compared to \$448 billion as of year-end 2010, a decrease of 4 percent. This decrease was largely reflective of the equity market volatility in the third quarter.

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

⁴ 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.

- Surplus totaled \$11,200 million at September 30, 2011, an increase of 8 percent from \$10,352 million at year-end 2010, due largely to strong operating earnings. In addition, total adjusted capital of \$13,374 million increased 8 percent from \$12,421 million at year-end 2010.
- As of September 30, 2011, total invested assets of the Company were \$97,002 million compared to \$90,787 million at the end of 2010, with the increase primarily driven by strong sales.
- Revenue for the first nine months was \$14,459 million, an increase of 15 percent from the same period last year driven by increased statutory premium and net investment income.
 - Statutory premium was \$10,016 million compared to \$8,546 million, primarily due to Retirement Services sales as well as increases in Executive Benefits bank-owned life insurance sales and whole life renewal premium.
 - Net investment income was \$3,940 million compared to \$3,582 million resulting from higher portfolio yields and an increase in average assets.
- Benefits and expenses, including the change in policyholder reserves, were \$13,179 million compared to \$11,294 million, largely due to higher premium levels and higher variable annuity reserves for product guarantees.
- Consolidated statutory net gain from operations before dividends and taxes was \$1,280 million compared to \$1,311 million. The decrease was largely due to higher variable annuity reserves for product guarantees, largely offset by higher net investment income and higher asset-based fees. The increase in reserves for these product guarantees was due to lower long-term interest rates as well as a decline in equity markets. These reserves were largely offset by economic hedges which are reflected in realized and unrealized gains and losses, rather than operating earnings.
- Dividends³ to eligible participating policyholders were \$879 million compared to \$883 million.
- The Company's net realized capital losses were \$167 million compared to net realized capital losses of \$114 million for 2010. The increase in realized capital losses was largely due to changes in the value of derivatives attributed to forwards and financial futures. Other-than-temporary impairments (OTTI) decreased \$27 million to \$240 million through September 30, 2011 from \$267 million through September 30, 2010.

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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