



Northwestern Mutual's 2009 Life Insurance Dividend Interest Rate¹

6.50%

For over 150 years The Northwestern Mutual Life Insurance Company (Northwestern Mutual) has consistently provided exceptional value to its policyowners.

Nearly \$4.2 billion in dividends expected to be paid on portfolio-based life insurance in 2009. More than any other company in the industry. The total dividend payout is expected to be \$4.6 billion.

For 138 consecutive years, Northwestern Mutual has paid dividends to its customers.

4.2 million life insurance policies will share in Northwestern Mutual's dividend payments.

Mutuality...

Doing what's best for customers since 1857.

Northwestern Mutual is one of the last true mutual life insurance companies. Our mutual company structure allows us to focus solely and directly on our more than 3.3 million participating life insurance policyowners and means that we don't have to choose between sometimes conflicting customer interests and shareholder interests.

Investment performance is only one factor of the life insurance dividend scale. Mortality and expenses play an important role as well.

The 2009 dividend interest rate, which is lower than last years, continues to be an exceptional rate and is in keeping with the company's philosophy of maximizing dividend payout to policyowners while maintaining the highest financial strength ratings.

The 2009 dividend interest rate reflects recent equity market declines, credit-related losses, and a continued low interest rate environment.

The 2009 dividend scale's mortality and expense factors remained unchanged from 2008. The company continues to have industry leading mortality and expense experience.²

The 2009 dividend interest rate and corresponding dividend scale continues to be very competitive. Based on information reported from Blease Research, the average dividend interest rate for other companies in the life insurance industry was 6.50% in 2008. We expect that most companies will reduce dividend scales for 2009. It is important to note that there is not a standard industry method for the determination of a company's dividend interest rate.

The 2009 fixed universal life crediting rates, ranging from 5.95% to 6.15%, continue to be among the highest in the industry. Based on Tillinghast's monthly survey, the October 2008 industry average was 4.74%.

Northwestern Mutual's Strong Financial Position...

Northwestern Mutual remains financially sound and is well positioned to fulfill the promises we make to our policyowners. The company has had minimal exposure to subprime mortgage investments. As of October 8th, the company's collective exposure to Lehman, Merrill, and AIG is limited, at less than 0.37% of invested assets of our general account portfolio. The company's combined write-downs on Washington Mutual and Wachovia are also extremely limited, at less than 0.071% of invested assets. As demonstrated throughout the company's 151 year history, Northwestern Mutual is skilled at adapting to wide-ranging market environments. The company entered the year with remarkably strong surplus, which has positioned us well to absorb the market gyrations we are currently experiencing. The company also enjoys strong cashflow, providing both safety and opportunity.

Financial Strength Ratings

Rating Agency	Rating**
A.M. Best	A++ (Superior)
Fitch Ratings	AAA (Exceptionally Strong)
Moody's	Aaa (Exceptional)
Standard & Poor's	AAA (Extremely Strong)

**Ratings are for Northwestern Mutual Life Insurance Company and Northwestern Long Term Care Insurance Company, as of the most recent review and report by each rating agency. Northwestern Mutual's ratings: Moody's Aaa, 12/2007; Standard & Poor's AAA, 11/2007; Fitch Ratings AAA, 3/2008; and A.M. Best Company A++, 3/2008.

¹Applies to unborrowed funds for most non-variable, permanent life insurance policies with direct recognition.

²Based on data provided by A.M. Best Company and the Society of Actuaries Intercompany Mortality Study.

The Northwestern Mutual Life Insurance Company

Dividend Growth

Year	Dividends Paid	Year	Dividends Paid	Year	Dividends Paid	Year	Dividends Paid	Year	Dividends Paid
1890	\$988,476	1914	\$12,510,668	1938	\$31,260,432	1962	\$106,407,103	1986	\$1,117,755,747
1891	\$1,028,390	1915	\$13,271,992	1939	\$31,848,593	1963	\$120,831,665	1987	\$1,191,109,147
1892	\$1,139,886	1916	\$13,151,404	1940	\$32,145,998	1964	\$122,259,026	1988	\$1,290,595,460
1893	\$1,143,962	1917	\$13,033,716	1941	\$33,233,728	1965	\$137,327,816	1989	\$1,414,318,343
1894	\$1,261,325	1918	\$13,737,773	1942	\$34,294,399	1966	\$141,819,538	1990	\$1,596,651,600
1895	\$1,296,895	1919	\$14,726,708	1943	\$35,070,043	1967	\$163,714,113	1991	\$1,601,214,815
1896	\$1,372,628	1920	\$16,182,033	1944	\$34,947,108	1968	\$168,815,286	1992	\$1,742,016,191
1897	\$1,510,508	1921	\$17,892,399	1945	\$36,472,610	1969	\$178,820,584	1993	\$1,769,897,542
1898	\$1,849,015	1922	\$19,052,305	1946	\$38,139,727	1970	\$197,472,922	1994	\$1,929,578,038
1899	\$2,515,029	1923	\$20,312,980	1947	\$44,206,868	1971	\$208,610,642	1995	\$2,100,698,863
1900	\$3,229,330	1924	\$20,157,142	1948	\$37,609,388	1972	\$233,537,637	1996	\$2,329,197,489
1901	\$3,577,503	1925	\$27,275,315	1949	\$37,133,655	1973	\$245,854,682	1997	\$2,623,658,863
1902	\$4,180,268	1926	\$31,125,996	1950	\$39,288,922	1974	\$264,074,965	1998	\$2,854,918,066
1903	\$4,456,172	1927	\$33,553,589	1951	\$41,913,437	1975	\$292,654,940	1999	\$3,074,231,871
1904	\$5,340,483	1928	\$35,710,937	1952	\$45,063,898	1976	\$323,479,692	2000	\$3,304,277,878
1905	\$6,489,061	1929	\$39,731,887	1953	\$48,794,453	1977	\$366,194,671	2001	\$3,615,588,065
1906	\$7,366,425	1930	\$42,207,017	1954	\$56,699,053	1978	\$415,512,461	2002	\$3,743,749,069
1907	\$7,911,285	1931	\$44,009,007	1955	\$61,036,465	1979	\$488,706,167	2003	\$3,711,861,899
1908	\$9,428,133	1932	\$44,834,646	1956	\$65,762,242	1980	\$543,227,086	2004	\$3,806,190,007
1909	\$10,339,814	1933	\$41,951,792	1957	\$75,320,377	1981	\$597,357,943	2005	\$4,172,476,977
1910	\$11,848,430	1934	\$31,569,108	1958	\$81,994,424	1982	\$695,424,391	2006	\$4,265,708,297
1911	\$12,610,321	1935	\$34,786,973	1959	\$88,581,376	1983	\$822,700,673	2007	\$4,618,469,669
1912	\$12,815,514	1936	\$35,787,302	1960	\$93,802,480	1984	\$882,893,330	2008	\$5,020,000,000*
1913	\$12,713,868	1937	\$30,384,003	1961	\$99,099,309	1985	\$994,088,940	2009	\$4,581,000,000*

*Dividend amount is an estimate calculated by the company and is not guaranteed for the future.

The Northwestern Mutual Life Insurance Company is the leading U.S. company in total life insurance dividends paid to policyowners. In 2007, dividends exceeded premiums on more than 58% of permanent premium-paying life insurance policies that have been in-force 10 years or longer.

Northwestern Mutual has paid its policyowners more than \$60 billion in dividends since the company was founded over 150 years ago.

The interest rates credited to both the non-borrowed and borrowed portion of a policy's cash values are reviewed and set annually by the Company's Board of trustees. This rate is dependant of the performance of the assets backing the Company's general account. In some cases, individual policy loan activity is reflected in the dividends that are paid; in others the dividends reflect the average loan activity of all policies in a dividend class. In either case, neither the interest rate nor the policy dividends are guaranteed.

The dividend interest rate also reflects a charge for taxes, and a contribution to surplus which the company maintains for future claims. However, the dividend interest rate cannot be used alone to determine what a policy's cash value or internal rate of return will be. Several other factors need to be considered.

The interest rate established for a particular policy is applied to those policy values that remain after charges for mortality and expenses have been deducted. These charges vary each year. Accordingly, a life insurance policy's cash value growth will vary each year.

Nevertheless, all other things being equal, a higher dividend interest rate will result in a higher policy dividend.

