Delivering On Our Promises

In any investment environment, identifying trends, actively managing portfolios and continually managing risk is crucial.

It’s especially important when purchasing assets in global financial markets to match product liabilities that can extend 30 years or more into the future. For MetLife Investments, understanding and actively managing a diversified portfolio to back liabilities is what enables the MetLife enterprise to deliver on promises made to millions of customers by MetLife companies around the world.

We have more than 900 investment professionals located around the globe, giving MetLife Investments depth and breadth across many asset sectors and markets. Our full-time credit analysts and sector specialists conduct first-hand, fundamental analysis of investments and closely track developed and emerging markets. We’re focused on looking ahead and positioning MetLife’s global portfolio for the future while striving to take advantage of today’s opportunities.

Diversified Global Portfolio

$418.2 Billion of General Account Assets Under Management

MetLife’s investment portfolio includes public securities and privately originated assets. Asset allocations reflect our mix of liabilities in MetLife’s global businesses. We reposition our portfolio based on relative value and our view of the economy and financial markets. We maintain our focus on appropriate levels of diversification and asset quality.

Key Differentials

• We have a strong balance sheet, a strong capital position and are well-positioned to fulfill our obligations.
• We benefit from a strong franchise, business diversification and sound financial fundamentals, particularly when managing through challenging markets.
• Our sizable investment portfolio and operation gives us breadth and depth across asset sectors and markets. We emphasize first-hand, fundamental analysis by our in-house team of analysts and sector specialists.
• We are a significant originator of private assets, including commercial and agricultural mortgages and private placements, which we believe provides us with a competitive advantage in these markets.

Investment Fundamentals

• We consider asset-liability management to be a core competency, and we carefully match assets to liabilities across our global businesses.
• We focus on the value of each asset and on the relative value of asset classes to determine which are offering the most attractive returns within given risk constraints.
• We utilize a vigorous risk management discipline across our investment portfolio and view risk management as fundamental to our culture. This discipline is woven throughout our investment process with dedicated systems, protocols and models. We carefully assess the risks and benefits presented by each investment, including relevant environmental, social, economic and governance risks and benefits.

1As of December 31, 2018. At estimated fair value. See Explanatory Note for non-GAAP financial information, definitions and/or reconciliations.
2Includes cash equivalents.
We conduct regular analysis of bond issuers and monitor key market factors that impact performance, such as corporate sector fundamentals and changes in currency rates. MetLife’s portfolio of private fixed maturity securities is one of the largest private bond portfolios globally. Private bonds represented about 20% of MetLife’s total corporate and foreign government bond portfolio as of December 31, 2018.

We have a well diversified structured finance portfolio that consists of investments in residential mortgage-backed securities (RMBS), asset-backed securities (ABS) and commercial mortgage-backed securities (CMBS). When underwriting investments in these sectors, our specialists perform in-depth analysis on structure, collateral pool, servicer and issuer. Proprietary systems and processes are used for modeling and conducting ongoing surveillance of the portfolio.

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**Corporate and Foreign Government Bond Portfolio**

$209.5 Billion Representing 50.1% of General Account Assets Under Management\(^1\)

### Diversification

- **U.S. Corporate**: $79.0B (37.7%)
- **Foreign Government**: $62.3B (29.7%)
- **Foreign Corporate**: $56.7B (27.1%)
- **Municipals**: $11.5B (5.5%)

### Quality

- **Aaa/Aa/A**: $122.8B (58.3%)
- **Baa**: $71.6B (34.1%)
- **Below Investment Grade**: $18.8B (7.6%)

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**Structured Finance Portfolio**

$49.5 Billion Representing 11.8% of General Account Assets Under Management\(^1\)

### Diversification

- **RMBS**: $28.0B (56.6%)
- **ABS**: $12.3B (25.2%)
- **CMBS**: $9.0B (18.2%)

### Quality\(^2\)

- **RMBS**
  - Investment grade: $27.7B (98.9%)
  - Non-investment grade: $0.3B (1.1%)
- **ABS**
  - Investment grade: $12.3B (98.4%)
  - Non-investment grade: $0.2B (1.6%)
- **CMBS**
  - Investment grade: $9.0B (100%)
  - Non-investment grade: $0.0B (0%)

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\(^1\) As of December 31, 2018. At estimated fair value. See Explanatory Note for non-GAAP financial information, definitions and/or reconciliations.

\(^2\) Amounts presented for structured securities held by subsidiaries that maintain the NAIC statutory basis of accounting are based on revised NAIC methodologies and interim internal ratings for securities not yet evaluated by the NAIC, which may not correspond to rating agency ratings.
Real Estate and Agricultural Finance

$92.1 Billion Representing 22.0% of General Account Assets Under Management

Diversification

Commercial Real Estate Mortgage Loans^2

<table>
<thead>
<tr>
<th>Property Type Diversification</th>
<th>49.5%</th>
<th>18.7%</th>
<th>14.5%</th>
<th>7.7%</th>
<th>7.2%</th>
<th>2.4%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office</td>
<td>49.5B</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail</td>
<td></td>
<td>18.7B</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Apartment</td>
<td></td>
<td></td>
<td>14.5B</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industrial</td>
<td></td>
<td></td>
<td></td>
<td>7.7B</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hotel</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>7.2B</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>2.4B</td>
</tr>
</tbody>
</table>

Geographic Diversification

<table>
<thead>
<tr>
<th>Geographic Diversification</th>
<th>Pacific</th>
<th>22.5%</th>
<th>New England</th>
<th>3.1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>International</td>
<td>49.5%</td>
<td></td>
<td>19.1%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Middle Atlantic</td>
<td>14.5%</td>
<td></td>
<td>16.3%</td>
<td>1.2%</td>
</tr>
<tr>
<td>South Atlantic</td>
<td>7.7%</td>
<td></td>
<td>13.1%</td>
<td>1.2%</td>
</tr>
<tr>
<td>West South Central</td>
<td>2.4%</td>
<td></td>
<td>8.1%</td>
<td>6.6%</td>
</tr>
<tr>
<td>East North Central</td>
<td>2.4%</td>
<td></td>
<td>5.9%</td>
<td></td>
</tr>
</tbody>
</table>

Quality

Commercial Real Estate Mortgage Loans

Loan-to-Value Ratio^2

- Less than 65%: 1.4%, $41.3B
- 65% to 75%: 12.0%, $5.8B
- 76% to 80%: 85.2%, $0.7B
- Greater than 80%: 0.4%, $0.7B

Debt Service Coverage Ratio^2

- Greater than 1.2X: 97.1%, $47.1B
- 1.2X to 1.0X: 2.5%, $1.2B
- Less than 1.0X: 0.4%, $0.2B

MetLife is one of the largest originators of commercial real estate and agricultural mortgage loans in the U.S. insurance industry. We maintain a local market presence, primarily in the U.S., and diversify our mortgage portfolios by geography and property type. We exercise strong discipline in analyzing underlying collateral and focus on lower leveraged mortgage investments that offer higher relative value and greater protection from default risk. As of December 31, 2018, none of MetLife’s commercial real estate mortgages had both a loan-to-value ratio above 80% and a debt service coverage ratio below 1.0x.

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^1 As of December 31, 2018. At estimated fair value. See Explanatory Note for non-GAAP financial information, definitions and/or reconciliations.

^2 The commercial real estate mortgage loan portfolio (excluding joint venture investments) had recorded investments, prior to valuation allowance, under U.S. GAAP, of $48.5 billion as of December 31, 2018. Loan-to-value and debt service coverage ratios for the commercial real estate mortgage loan portfolio are updated routinely as part of our ongoing review process.
Explanatory Note on Non-GAAP Financial Information

General Account Assets Under Management (“GA AUM”) is a financial measure based on methodologies other than accounting principles generally accepted in the United States of America (“GAAP”). MetLife utilizes GA AUM to describe assets in its general account investment portfolio which are actively managed and stated at estimated fair value. MetLife believes the use of GA AUM enhances the understanding and comparability of its general account investment portfolio. GA AUM are comprised of general account Total Investments and cash and cash equivalents, excluding policy loans, other invested assets, contractholder-directed equity securities and fair value option securities, as substantially all of those assets are not actively managed in MetLife’s general account investment portfolio. Mortgage loans and certain real estate investments included in GA AUM have been adjusted from carrying value to estimated fair value. Classification of GA AUM by sector is based on the nature and characteristics of the underlying investments which can vary from how they are classified under GAAP.

GA AUM is a non-GAAP financial measure and should not be viewed as a substitute for Total Investments, the most directly comparable GAAP measure. A reconciliation of Total Investments to GA AUM, as well as GA AUM sector reconciliation, is set forth in the tables below. Total Investments under GAAP includes short-term investments and excludes cash and cash equivalents.

Additional information about MetLife’s general account investment portfolio is available in MetLife, Inc.’s quarterly financial materials for the quarter ended December 31, 2018 which may be accessed through MetLife’s Investor Relations web page at http://investor.metlife.com.

Guarantees apply to certain insurance and annuity products (not securities, variable or investment advisory products) and are subject to product terms, exclusions and limitations and the insurer’s claims-paying ability and financial strength.

### Reconciliation of Total Investments to General Account Assets Under Management

<table>
<thead>
<tr>
<th>($ in Billions)</th>
<th>12/31/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Investments</strong></td>
<td>$436.2</td>
</tr>
<tr>
<td>&gt; Plus cash and cash equivalents</td>
<td>15.8</td>
</tr>
<tr>
<td>&gt; Plus fair value adjustment - mortgage loans</td>
<td>1.0</td>
</tr>
<tr>
<td>&gt; Plus fair value adjustment - real estate equity</td>
<td>5.7</td>
</tr>
<tr>
<td>&gt; Less policy loans</td>
<td>9.7</td>
</tr>
<tr>
<td>&gt; Less other invested assets</td>
<td>18.2</td>
</tr>
<tr>
<td>&gt; Less contractholder-directed equity securities and fair value option securities</td>
<td>12.6</td>
</tr>
<tr>
<td><strong>General Account Assets Under Management</strong></td>
<td>$418.2</td>
</tr>
</tbody>
</table>

### General Account Assets Under Management Sector Reconciliation

<table>
<thead>
<tr>
<th>($ in Billions)</th>
<th>12/31/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Asset Sector</strong></td>
<td><strong>GAAP Classification</strong></td>
</tr>
<tr>
<td>Real estate equity</td>
<td>$15.4</td>
</tr>
<tr>
<td>Mortgage loans</td>
<td>$76.7</td>
</tr>
</tbody>
</table>

1 Real estate equity under the GAAP Classification of $15.4 billion includes $731 million of joint venture investments, with the underlying investments primarily in commercial mortgage loans. Such joint venture investments have been reclassified to exclude from real estate equity (and include in mortgage loans) under the GA AUM Classification.