# INVESTOR FINANCIAL SUPPLEMENT

## September 30, 2012

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.

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As of October 26, 2012

| | A.M. Best | Fitch | Standard & Poor's | Moody's |
|---|---|---|---|---|
| **Insurance Financial Strength Ratings:** | | | | |
| Hartford Fire Insurance Company | A | A+ | A | A2 |
| Hartford Life Insurance Company | A | A- | A- | A3 |
| Hartford Life and Accident Insurance Company | A | A- | A- | A3 |
| Hartford Life and Annuity Insurance Company | A | A- | BBB+ | A3 |
| **Other Ratings:** | | | | |
| The Hartford Financial Services Group, Inc.: | | | | |
| Senior debt | bbb+ | BBB | BBB | Baa3 |
| Commercial paper | AMB-2 | F2 | A-2 | P-3 |

TRANSFER AGENT
The Bank of New York Mellon
BNY Mellon Shareowner Services
480 Washington Boulevard
Jersey City, NJ 07310
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DRAFT 3 OF 3
COMMON STOCK
Common stock of The Hartford Financial Services Group, Inc. is traded on the New York Stock Exchange under the symbol "HIG".

This report is for information purposes only. It should be read in conjunction with documents filed by The Hartford Financial Services Group, Inc. with the U.S. Securities and Exchange Commission, including the most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## INVESTOR FINANCIAL SUPPLEMENT
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# THE HARTFORD FINANCIAL SERVICES GROUP, INC.

## BASIS OF PRESENTATION

**DEFINITIONS AND PRESENTATION**

- All amounts are in millions, except for per share and ratio information unless otherwise stated.
- On March 21, 2012, the Company announced the completion of an evaluation of its businesses and strategy. As a result of this review, which was conducted by the Company's management and Board of Directors over the past several quarters, the Company announced that it will focus on its Property and Casualty, Group Benefits and Mutual Fund businesses, place its Individual Annuity business into runoff and pursue sales or other strategic alternatives for the Individual Life, Woodbury Financial Services and Retirement Plans businesses. Starting in the second quarter of 2012, financial results for the Individual Annuity segment, which consists of U.S. variable, fixed and fixed indexed annuities, will be reported in the Life Other Operations segment. The Company is organized into four divisions: Commercial Markets, Consumer Markets, Wealth Management and Runoff Operations and currently conducts business principally in nine reporting segments, as well as the Corporate category.
- The Commercial Markets division consists of the reporting segments of Property & Casualty Commercial and Group Benefits. Property & Casualty Commercial provides workers' compensation, property, automobile, marine, livestock, liability and umbrella coverages, primarily throughout the United States ("U.S."), along with a variety of customized insurance products and risk management services including professional liability, fidelity, surety, and specialty casualty coverages. Group Benefits provides employers, associations, affinity groups and financial institutions with group life, accident and disability coverage, along with other products.
- Consumer Markets provides standard automobile, homeowners and home-based business coverages to individuals across the U.S., including a special program designed exclusively for members of AARP. Consumer Markets also operates a member contact center for health insurance products offered through the AARP Health program.
- The Wealth Management division includes the reporting segments of Individual Life, Retirement Plans and Mutual Funds. Individual Life sells a variety of life insurance products, including variable universal life, universal life, and term life. Retirement Plans provides products and services to corporations pursuant to Section 401(k) of the Internal Revenue Code of 1986, as amended (the "Code") and products and services to municipalities and not-for-profit organizations under Sections 457 and 403(b) of the Code, collectively referred to as government plans. Mutual Funds offers retail mutual funds, investment-only mutual funds and college savings plans under Section 529 of the Code (collectively referred to as non-proprietary) and proprietary mutual funds supporting insurance products issued by The Hartford.
- The Runoff Operations division includes the reporting segments of Life Other Operations and Property & Casualty Other Operations. Life Other Operations includes U.S. Annuity, International Annuity, Institutional Annuity, and Private Placement Life Insurance, previously reported in Wealth Management.
- The Hartford includes in Corporate the Company's debt financing and related interest expense, as well as other capital raising activities; banking operations; certain fee inome and commissions expenses associated with sales of non-proprietary products by broker-dealer subsidiaries; and certain purchase accounting adjustments and other charges not allocated to the segments.
- The balance sheet and certain balance sheet measures incorporated herein are presented in the statutory legal entity views for Life and Property & Casualty. Life consists of the Wealth Management division, Life Other Operations, Group Benefits and an Other category. Property & Casualty consists of the of Property & Casualty Commercial, Property & Casualty Other Operations and the Consumer Markets Division. Corporate primarily includes the Company's debt financing and related interest expense, as well as other capital raising, banking operations and certain purchase accounting adjustment activities.
- Certain operating and statistical measures have been incorporated herein to provide supplemental data that indicate current trends in The Hartford's business. These measures include sales, deposits, net flows, account value, insurance in-force and premium retention. Premium retention is defined as renewal premium written in the current period divided by total premium written in the prior period.
- The Hartford, along with others in the property and casualty insurance industry, uses underwriting ratios as measures of performance. The loss and loss adjustment expense ratio is the ratio of losses and loss adjustment expenses to earned premiums. The expense ratio is the ratio of underwriting expenses (amortization of deferred policy acquisition costs, as well as other underwriting expenses) to earned premiums. The policyholder dividend ratio is the ratio of policyholder dividends to earned premiums. The combined ratio is the sum of the loss and loss adjustment expense ratio, the expense ratio and the policyholder dividend ratio. These ratios are relative measurements that describe the related cost of losses and expenses for every $100 of earned premiums. A combined ratio below 100 demonstrates underwriting profit; a combined ratio above 100 demonstrates underwriting losses. The catastrophe ratio (a component of the loss ratio) represents the ratio of catastrophe losses to earned premiums.
- The Hartford, along with others in the life insurance industry, uses underwriting ratios as measures of the Group Benefits segment's performance. The loss ratio is the ratio of total benefits, losses and loss adjustment expenses, excluding buyouts, to total premiums and other considerations excluding buyout premiums. The expense ratio is the ratio of insurance operating costs and other expenses to total premiums and other considerations excluding buyout premiums.
- Accumulated other comprehensive income ("AOCI") represents net of tax unrealized gain (loss) on available-for-sale securities, other than temporary impairment losses recognized in AOCI, net gain (loss) on cash-flow hedging instruments, foreign currency translation adjustments and pension and other postretirement adjustments.
- Mutual fund assets are an internal measure of assets under management used by the Company because a portion of revenues are based upon asset levels. Mutual funds assets are not included on the balance sheet.
- Return on assets ("ROA") is calculated using annualized earnings divided by a two-point average of assets under management.
- Assets under management ("AUM") include account values and mutual funds assets. AUM is a measure used by the Company because a significant portion of the Company's revenues are based upon asset values. These revenues increase or decrease with a rise or fall in the amount of account value whether caused by changes in capital markets or through net flows.
- Yields are calculated using annualized net investment income (excluding income related to equity securities, trading) divided by the monthly average invested assets at cost, amortized cost, or adjusted carrying value, as applicable, excluding equity securities, trading, and consolidated variable interest entity non-controlling interests.
- NM - Not meaningful means increases or decreases greater than or equal to 200%, or changes from a net gain to a net loss position, or vice versa.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.

## BASIS OF PRESENTATION (CONTINUED)

**DISCUSSION OF NON-GAAP AND OTHER FINANCIAL MEASURES**

- The Hartford uses non-GAAP and other financial measures in this Investor Financial Supplement to assist investors in analyzing the Company's operating performance for the periods presented herein. Because The Hartford's calculation of these measures may differ from similar measures used by other companies, investors should be careful when comparing The Hartford's non-GAAP and other financial measures to those of other companies.
- The Hartford uses the non-GAAP financial measure core earnings as an important measure of the Company's operating performance. The Hartford believes that the measure core earnings provides investors with a valuable measure of the performance of the Company's ongoing businesses because it reveals trends in our insurance and financial services businesses that may be obscured by including the net effect of certain realized capital gains and losses, discontinued operations and loss on extinguishment of debt. Some realized capital gains and losses are primarily driven by investment decisions and external economic developments, the nature and timing of which are unrelated to the insurance and underwriting aspects of our business. Accordingly, core earnings excludes the effect of all realized gains and losses (net of tax and the effects of deferred policy acquisition costs ("DAC")) that tend to be highly variable from period to period based on capital market conditions. The Hartford believes, however, that some realized capital gains and losses are integrally related to our insurance operations, so core earnings includes net realized gains and losses such as net periodic settlements on credit derivatives

  and net periodic settlements on the Japan fixed annuity cross-currency swap. These net realized gains and losses are directly related to an offsetting item included in the income statement such as net investment income. Core earnings is also used by management to assess our operating performance and is one of the measures considered in determining incentive compensation for the Company's managers. Net income is the most directly comparable GAAP measure. Core earnings should not be considered as a substitute for net income and does not reflect the overall profitability of the Company's business. Therefore, The Hartford believes that it is useful for investors to evaluate both net income and core earnings when reviewing the Company's performance. A reconciliation of core earnings to net income for the periods presented herein is set forth on page 2.
- Core earnings per share is calculated based on the non-GAAP financial measure core earnings. The Hartford believes that the measure core earnings per share provides investors with a valuable measure of the Company's operating performance for many of the same reasons applicable to its underlying measure, core earnings. Net income per share is the most directly comparable GAAP measure. Core earnings per share should not be considered as a substitute for net income per share and does not reflect the overall profitability of the Company's business. Therefore, The Hartford believes that it is useful for investors to evaluate both net income per share and core earnings per share when reviewing our performance. A reconciliation of net income per share to core earnings per share for the periods presented herein is set forth on page 8.
- Written premiums is a statutory accounting financial measure used by The Hartford as an important indicator of the operating performance of the Company's Property & Casualty Commercial and Consumer Markets operations. Because written premiums represents the amount of premium charged for policies issued, net of reinsurance, during a fiscal period, The Hartford believes it is useful to investors because it reflects current trends in The Hartford's sale of property and casualty insurance products. Earned premiums, the most directly comparable GAAP measure, represents all premiums that are recognized as revenues during a fiscal period. The difference between written premiums and earned premiums is attributable to the change in unearned premium reserves. A reconciliation of written premiums to earned premiums for Property & Casualty Commercial and Consumer Markets is set forth at pages 12 and 18, respectively.
- The Hartford's management evaluates profitability of the Property & Casualty Commercial and Consumer Markets segments primarily on the basis of underwriting results. Underwriting results is a before-tax measure that represents earned premiums less incurred losses, loss adjustment expenses and underwriting expenses. Net income is the most directly comparable GAAP measure. Underwriting results are influenced significantly by earned premium growth and the adequacy of The Hartford's pricing. Underwriting profitability over time is also greatly influenced by The Hartford's underwriting discipline, which seeks to manage exposure to loss through favorable risk selection and diversification, its management of claims, its use of reinsurance and its ability to manage its expense ratio, which it accomplishes through economies of scale and its management of acquisition costs and other underwriting expenses. The Hartford believes that underwriting results provides investors with a valuable measure of before-tax profitability derived from underwriting activities, which are managed separately from the Company's investing activities. A reconciliation of underwriting results to net income for Property & Casualty Commercial and Consumer Markets is set forth at pages 12 and 18, respectively.
- A catastrophe is a severe loss, resulting from natural or manmade events, including risks such as fire, earthquake, windstorm, explosion, terrorist attack and similar events. Each catastrophe has unique characteristics. Catastrophes are not predictable as to timing or loss amount in advance, and therefore their effects are not included in earnings or losses and loss adjustment expense reserves prior to occurrence. The Hartford believes that a discussion of the effect of catastrophes is meaningful for investors to understand the variability of periodic earnings.
- ROA, excluding net realized gains (losses), net of tax and DAC, excluded from core earnings, excluding discontinued operations and the impact of the DAC unlock, is a non-GAAP financial measure that the Company uses to evaluate, and believes is an important measure of, segment operating performance. ROA is the most directly comparable U.S. GAAP measure. The Hartford believes that the measure ROA, excluding net realized gains (losses), net of tax and DAC, excluded from core earnings, excluding discontinued operations and the impact of the DAC unlock, provides investors with a valuable measure of the performance of the Company's on-going businesses because it reveals trends in our businesses that may be obscured by the effect of including net realized gains (losses), net of tax and DAC, excluded from core earnings,the effect of including discontinued operations and the effect of including the DAC unlock.

  Some realized capital gains and losses are primarily driven by investment decisions and external economic developments, the nature and timing of which are unrelated to insurance aspects of our businesses. Accordingly, these non-GAAP measures exclude the effect of all realized gains and losses that tend to be highly variable from period to period based on capital market conditions. The Hartford believes, however, that some realized capital gains and losses are integrally related to our insurance operations, so ROA, excluding net realized gains (losses), net of tax and DAC, excluded from core earnings,excluding discontinued operations, and the impact of the DAC unlock should include net realized gains and losses on net periodic settlements on the Japan fixed annuity cross-currency swap. These net realized gains and losses are directly related to an offsetting item included in the statement of operations such as net investment income.

  ROA, excluding net realized gains (losses), net of tax and DAC, excluded from core earnings, excluding discontinued operations, and the impact of the DAC unlock should not be considered as a substitute for ROA and does not reflect the overall profitability of our businesses. Therefore, the Company believes it is important for investors to evaluate both ROA, excluding net realized gains (losses), net of tax and DAC, excluded from core earnings, excluding discontinued operations, and excluding the impact of the DAC unlock and ROA when reviewing the Company's performance.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## BASIS OF PRESENTATION (CONTINUED)

**DISCUSSION OF NON-GAAP AND OTHER FINANCIAL MEASURES**

- After-tax margin, excluding net realized gains (losses), net of tax and DAC, excluded from core earnings, is a non-GAAP financial measure that the Company uses to evaluate, and believes is an important measure of, segment operating performance. After-tax margin is the most directly comparable U.S. GAAP measure. The Hartford believes that the measure after-tax margin, excluding net realized gains (losses), net of tax and DAC, excluded from core earnings, provides investors with a valuable measure of the performance of the Company's on-going businesses because it reveals trends in our businesses that may be obscured by the effect of including certain realized gains (losses). Some realized capital gains and losses are primarily driven by investment decisions and external economic developments, the nature and timing of which are unrelated to insurance aspects of our businesses. Accordingly, these non-GAAP measures exclude the effect of all realized gains and losses that tend to be highly variable from period to period based on capital market conditions. The Hartford believes, however, that some realized capital gains and losses are integrally related to our insurance operations, so after-tax margin, excluding net realized gains (losses), net of tax and DAC, excluded from core earnings, should include net realized gains and losses on net periodic settlements on credit derivatives. These net realized gains and losses are directly related to an offsetting item included in the statement of operations such as net investment income. After-tax margin, excluding net realized gains (losses), net of tax and DAC, excluded from core earnings, should not be considered as a substitute for after-tax margin and does not reflect the overall profitability of our businesses. Therefore, the Company believes it is important for investors to evaluate both after-tax margin, excluding net realized gains (losses), net of tax and DAC, excluded from core earnings, and after-tax margin when reviewing the Company's performance.
- Book value per common share excluding AOCI is calculated based upon a non-GAAP financial measure. It is calculated by dividing (a) common stockholders' equity, excluding AOCI, net of tax, by (b) common shares outstanding. The Hartford provides book value per common share excluding AOCI to enable investors to analyze the amount of the Company's net worth that is primarily attributable to the Company's business operations. The Hartford believes book value per common share, excluding AOCI, is useful to investors because it eliminates the effect of items that can fluctuate significantly from period to period, primarily based on changes in interest rates. Book value per common share is the most directly comparable GAAP measure. A reconciliation of book value per common share to book value per common share, excluding AOCI, for the periods presented herein is set forth at page 1.
- Book value per diluted share, excluding AOCI, is calculated based upon a non-GAAP financial measure. It is calculated by dividing (a) total stockholders' equity, excluding AOCI, net of tax, by (b) common shares outstanding and dilutive potential common shares. The Hartford provides book value per diluted share excluding AOCI to enable investors to analyze the amount of the Company's net worth that is primarily attributable to the Company's business operations. The Hartford believes book value per diluted share, excluding AOCI, is useful to investors because it eliminates the effect of items that can fluctuate significantly from period to period, primarily based on changes in interest rates. Book value per diluted share is the most directly comparable GAAP measure. A reconciliation of book value per diluted share to book value per diluted share, excluding AOCI, for the periods presented herein is set forth at page 1.
- The Hartford provides different measures of the return on common equity ("ROE") of the Company. ROE (core earnings last twelve months to common equity, excluding AOCI), is calculated based on non-GAAP financial measures. ROE (core earnings last twelve months to common equity, excluding AOCI) is calculated by dividing (a) core earnings for the prior four fiscal quarters by (b) average common stockholders' equity, excluding AOCI. When calculating ROE, the Mandatory Convertible preferred stock ("MCP") is included in average common stockholders' equity and MCP dividends are added back to net income (loss) available to common shareholders and core earnings (losses) available to common shareholders. The Hartford provides to investors return-on-equity measures based on its non-GAAP core earnings financial measures for the reasons set forth in the related discussion above. The Hartford excludes AOCI in the calculation of these return-on-equity measures to provide investors with a measure of how effectively the Company is investing the portion of the Company's net worth that is primarily attributable to the Company's business operations.
  ROE (net income last twelve months to common equity, including AOCI) is the most directly comparable GAAP measure. A reconciliation of the non-GAAP return-on-equity measures for the periods presented herein to ROE (net income last twelve months to common equity, including AOCI) is set forth at page 10.

# CONSOLIDATED

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## CONSOLIDATED FINANCIAL RESULTS

| | THREE MONTHS ENDED | | | | | Year Over Year | Sequential | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | 3 Month Change | 3 Month Change | 2011 | 2012 | Change |
| **HIGHLIGHTS** | | | | | | | | | | |
| Net income (loss) [1] | $ 60 | $ 118 | $ 96 | $ (101) | $ 401 | NM | NM | $ 594 | $ 396 | (33%) |
| Core earnings | $ 50 | $ 339 | $ 612 | $ 119 | $ 378 | NM | NM | $ 638 | $ 1,109 | 74% |
| Total revenues [2] | $ 4,520 | $ 5,638 | $ 7,661 | $ 4,574 | $ 6,442 | 43% | 41% | $ 16,221 | $ 18,677 | 15% |
| Total assets | $ 304,188 | $ 302,609 | $ 310,548 | $ 303,977 | $ 308,918 | 2% | 2% | | | |
| **PER SHARE AND SHARES DATA [3]** | | | | | | | | | | |
| Basic earnings (losses) per common share | | | | | | | | | | |
| Net income (loss) available to common shareholders | $ 0.11 | $ 0.24 | $ 0.20 | $ (0.26) | $ 0.90 | NM | NM | $ 1.27 | $ 0.83 | (35%) |
| Core earnings available to common shareholders | $ 0.09 | $ 0.74 | $ 1.37 | $ 0.25 | $ 0.84 | NM | NM | $ 1.36 | $ 2.46 | 81% |
| Diluted earnings (losses) per common share | | | | | | | | | | |
| Net income (loss) available to common shareholders | $ 0.11 | $ 0.23 | $ 0.18 | $ (0.26) | $ 0.83 | NM | NM | $ 1.17 | $ 0.78 | (33%) |
| Core earnings available to common shareholders | $ 0.08 | $ 0.69 | $ 1.25 | $ 0.23 | $ 0.78 | NM | NM | $ 1.26 | $ 2.28 | 81% |
| Weighted average common shares outstanding (basic) | 445.3 | 445.1 | 440.7 | 438.2 | 435.8 | (9.5) sh | (2.4) sh | 445.0 | 438.2 | (6.8) sh |
| Weighted average common shares outstanding and dilutive potential common shares (diluted) | 473.4 | 489.6 | 489.9 | 464.8 | 482.7 | 9.3 sh | 17.9 sh | 481.0 | 486.1 | 5.1 sh |
| Common shares outstanding | 445.5 | 442.5 | 440.9 | 435.6 | 436.1 | (9.4) sh | 0.5 sh | 445.5 | 436.1 | (9.4) sh |
| Book value per common share | $ 46.70 | $ 47.30 | $ 46.99 | $ 49.14 | $ 52.31 | 12% | 6% | | | |
| Per common share impact of AOCI | $ 2.59 | $ 2.83 | $ 3.01 | $ 5.18 | $ 7.55 | 192% | 46% | | | |
| Book value per common share (excluding AOCI) | $ 44.11 | $ 44.47 | $ 43.98 | $ 43.96 | $ 44.76 | 1% | 2% | | | |
| Book value per diluted share | $ 43.81 | $ 44.31 | $ 43.25 | $ 45.59 | $ 48.13 | 10% | 6% | | | |
| Per diluted share impact of AOCI | $ 2.37 | $ 2.58 | $ 2.70 | $ 4.68 | $ 6.78 | 186% | 45% | | | |
| Book value per diluted share (excluding AOCI) | $ 41.44 | $ 41.73 | $ 40.55 | $ 40.91 | $ 41.35 | - | 1% | | | |
| Common shares outstanding and dilutive potential common shares | 487.6 | 484.9 | 491.9 | 481.7 | 485.5 | (2.1) sh | 3.8 sh | | | |
| **FINANCIAL RATIOS** | | | | | | | | | | |
| ROE (net income last 12 months to common stockholder equity including AOCI) [4] | 5.9 % | 3.5 % | 1.5 % | 0.8 % | 2.3 % | (3.6) | 1.5 | | | |
| ROE (core earnings last 12 months to common stockholder equity excluding AOCI) [4] | 6.0 % | 4.9 % | 5.1 % | 5.6 % | 7.2 % | 1.2 | 1.6 | | | |
| Debt to capitalization, including AOCI | 23.6 % | 22.4 % | 22.6 % | 24.5 % | 23.4 % | (0.2) | (1.1) | | | |
| Annualized investment yield, after-tax | 2.9 % | 2.8 % | 3.0 % | 3.0 % | 2.9 % | - | (0.1) | 3.1 % | 3.0 % | (0.1) |

[1] Includes a loss on extinguishment of debt of $587, after-tax, recognized in the second quarter of 2012 related to the repurchase of all outstanding 10% fixed-to-floating rate junior subordinated debentures due 2068 with a $1.75 billion aggregate principal amount held by Allianz. The loss consisted of the premium associated with repurchasing the 10% Debentures at an amount greater than the face amount, the write-off of the unamortized discount and debt issuance costs related to the 10% Debentures and other costs related to the repurchase transaction.

[2] Total revenues of The Hartford are impacted by net investment income and mark-to-market effects of equity securities, trading, supporting the international variable annuity business, which have corresponding amounts credited to policyholders within benefits, losses and loss adjustment expenses. See page 3 for the impact to total revenues along with the corresponding amounts in benefits, losses and loss adjustment expenses in the three months ended September 30, 2011,December 31, 2011,March 31, 2012, June 30, 2012 and September 30, 2012, respectively.

[3] See page 8 for computation of basic and diluted earnings (losses) per common share.

[4] See page 10 for a computation of ROE measures.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.

## OPERATING RESULTS BY SEGMENT

*(A reconciliation of core earnings (losses) to net income (loss) for each of the segments is set forth on the respective segment pages contained in this supplement.)*

| | THREE MONTHS ENDED | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| Property & Casualty Commercial | $ 87 | $ 29 | $ 162 | $ 160 | $ 160 | 84% | - | $ 360 | $ 482 | 34% |
| Group Benefits | 20 | 17 | 5 | 34 | 23 | 15% | (32%) | 69 | 62 | (10%) |
| **Commercial Markets core earnings** | **$ 107** | **$ 46** | **$ 167** | **$ 194** | **$ 183** | **71%** | **(6%)** | **$ 429** | **$ 544** | **27%** |
| **Consumer Markets core earnings (losses)** | **$ (10)** | **$ 85** | **$ 102** | **$ (48)** | **$ 93** | **NM** | **NM** | **$ (76)** | **$ 147** | **NM** |
| Individual Life | (20) | 36 | 26 | 25 | 15 | NM | (40%) | 57 | 66 | 16% |
| Retirement Plans | (20) | - | 12 | 5 | (1) | 95% | NM | 2 | 16 | NM |
| Mutual Funds | 24 | 20 | 20 | 18 | 18 | (25%) | - | 78 | 56 | (28%) |
| **Wealth Management core earnings (losses)** | **$ (16)** | **$ 56** | **$ 58** | **$ 48** | **$ 32** | **NM** | **(33%)** | **$ 137** | **$ 138** | **1%** |
| **ONGOING OPERATIONS** | **81** | **187** | **327** | **194** | **308** | **NM** | **59%** | **490** | **829** | **69%** |
| Life Other Operations | 43 | 206 | 373 | 37 | 136 | NM | NM | 528 | 546 | 3% |
| P&C Other Operations | 9 | 16 | 20 | (14) | 21 | 133% | NM | (135) | 27 | NM |
| **Runoff Operations core earnings (losses)** | **$ 52** | **$ 222** | **$ 393** | **$ 23** | **$ 157** | **NM** | **NM** | **$ 393** | **$ 573** | **46%** |
| **Corporate core losses** | **(83)** | **(70)** | **(108)** | **(98)** | **(87)** | **(5%)** | **11%** | **(245)** | **(293)** | **(20%)** |
| **CONSOLIDATED** | | | | | | | | | | |
| **Core earnings** | **$ 50** | **$ 339** | **$ 612** | **$ 119** | **$ 378** | **NM** | **NM** | **$ 638** | **$ 1,109** | **74%** |
| Add: Income (loss) from discontinued operations | 3 | 1 | (1) | (1) | (2) | NM | (100%) | 85 | (4) | NM |
| Add: Loss on extinguishment of debt, net of tax | - | - | - | (587) | - | - | 100% | - | (587) | - |
| Add: Net realized capital gains (losses), net of tax and DAC, excluded from core earnings [1] | 7 | (222) | (515) | 368 | 25 | NM | (93%) | (129) | (122) | 5% |
| **Net income (loss)** | **$ 60** | **$ 118** | **$ 96** | **$ (101)** | **$ 401** | **NM** | **NM** | **$ 594** | **$ 396** | **(33%)** |
| **PER SHARE DATA [2]** | | | | | | | | | | |
| Diluted earnings (losses) per common share | | | | | | | | | | |
| **Core earnings available to common shareholders** | **$ 0.08** | **$ 0.69** | **$ 1.25** | **$ 0.23** | **$ 0.78** | **NM** | **NM** | **$ 1.26** | **$ 2.28** | **81%** |
| **Net income (loss) available to common shareholders** | **$ 0.11** | **$ 0.23** | **$ 0.18** | **$ (0.26)** | **$ 0.83** | **NM** | **NM** | **$ 1.17** | **$ 0.78** | **(33%)** |
| **DAC UNLOCK IMPACT ON CORE EARNINGS BY SEGMENT** | | | | | | | | | | |
| Individual Life | (57) | 2 | (8) | 1 | (6) | 89% | NM | (60) | (13) | 78% |
| Retirement Plans | (24) | (1) | 8 | (3) | (6) | 75% | (100%) | (24) | (1) | 96% |
| Life Other Operations | (126) | 44 | 192 | (125) | (11) | 91% | 91% | (84) | 56 | NM |
| **DAC unlock impact on core earnings** | **$ (207)** | **$ 45** | **$ 192** | **$ (127)** | **$ (23)** | **89%** | **82%** | **$ (168)** | **$ 42** | **NM** |
| Add: Net realized capital gains (losses), net of tax and DAC, excluded from core earnings | (262) | (40) | 22 | (19) | (56) | 79% | (195%) | (310) | (53) | 83% |
| **DAC unlock impact on net income (loss)** | **$ (469)** | **$ 5** | **$ 214** | **$ (146)** | **$ (79)** | **83%** | **46%** | **$ (478)** | **$ (11)** | **98%** |

[1] Includes those net realized capital gains (losses) excluded from core earnings. See page 9 for further analysis.

[2] See page 8 for the reconciliation of net income per common share to core earnings per common share.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## CONSOLIDATED STATEMENTS OF OPERATIONS

| | THREE MONTHS ENDED | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| Earned premiums | $ 3,518 | $ 3,506 | $ 3,442 | $ 3,400 | $ 3,401 | (3%) | - | $ 10,582 | $ 10,243 | (3%) |
| Fee income | 1,192 | 1,130 | 1,134 | 1,114 | 1,118 | (6%) | - | 3,620 | 3,366 | (7%) |
| Net investment income (loss): | | | | | | | | | | |
| Securities available-for-sale and other | 1,062 | 998 | 1,070 | 1,097 | 1,030 | (3%) | (6%) | 3,274 | 3,197 | (2%) |
| Equity securities, trading [1] | (1,890) | 325 | 2,866 | (1,687) | 710 | NM | NM | (1,684) | 1,889 | NM |
| Total net investment income (loss) | $ (828) | $ 1,323 | $ 3,936 | $ (590) | $ 1,740 | NM | NM | $ 1,590 | $ 5,086 | NM |
| Realized capital gains (losses): | | | | | | | | | | |
| Total other-than-temporary impairment ("OTTI") losses | (71) | (42) | (36) | (106) | (59) | 17% | 44% | (221) | (201) | 9% |
| OTTI losses recognized in other comprehensive income | 11 | 6 | 7 | 8 | 22 | 100% | 175% | 83 | 37 | (55%) |
| Net OTTI losses recognized in earnings | (60) | (36) | (29) | (98) | (37) | 38% | 62% | (138) | (164) | (19%) |
| Net realized capital gains (losses), excluding OTTI losses recognized in earnings | 635 | (350) | (881) | 687 | 156 | (75%) | (77%) | 379 | (38) | NM |
| Total net realized capital gains (losses) | $ 575 | $ (386) | $ (910) | $ 589 | $ 119 | (79%) | (80%) | $ 241 | $ (202) | NM |
| Other revenues | 63 | 65 | 59 | 61 | 64 | 2% | 5% | 188 | 184 | (2%) |
| **Total revenues** | **$ 4,520** | **$ 5,638** | **$ 7,661** | **$ 4,574** | **$ 6,442** | **43%** | **41%** | **$ 16,221** | **$ 18,677** | **15%** |
| Benefits, losses and loss adjustment expenses | 4,006 | 3,465 | 3,038 | 3,621 | 3,271 | (18%) | (10%) | 11,160 | 9,930 | (11%) |
| Benefits, losses and loss adjustment expenses—returns credited on international variable annuities [1] | (1,889) | 324 | 2,864 | (1,686) | 710 | NM | NM | (1,683) | 1,888 | NM |
| Amortization of deferred policy acquisition costs and present value of future profits | 1,005 | 397 | 321 | 554 | 566 | (44%) | 2% | 2,047 | 1,441 | (30%) |
| Insurance operating costs and other expenses | 1,273 | 1,206 | 1,303 | 1,261 | 1,222 | (4%) | (3%) | 4,079 | 3,786 | (7%) |
| Loss on extinguishment of debt | - | - | - | 910 | - | - | (100%) | - | 910 | - |
| Interest expense | 128 | 124 | 124 | 115 | 109 | (15%) | (5%) | 384 | 348 | (9%) |
| Goodwill impairment | - | 30 | - | - | - | - | - | - | - | - |
| Restructuring and other costs [2] | 14 | 11 | 9 | 48 | 53 | NM | 10% | 14 | 110 | NM |
| **Total benefits and expenses** | **$ 4,537** | **$ 5,557** | **$ 7,659** | **$ 4,823** | **$ 5,931** | **31%** | **23%** | **$ 16,001** | **$ 18,413** | **15%** |
| **Income (loss) from continuing operations before income taxes** | **(17)** | **81** | **2** | **(249)** | **511** | **NM** | **NM** | **220** | **264** | **20%** |
| Income tax expense (benefit) | (74) | (36) | (95) | (149) | 108 | NM | NM | (289) | (136) | 53% |
| **Income (loss) from continuing operations, net of tax** | **$ 57** | **$ 117** | **$ 97** | **$ (100)** | **$ 403** | **NM** | **NM** | **$ 509** | **$ 400** | **(21%)** |
| Income (loss) from discontinued operations, net of tax | 3 | 1 | (1) | (1) | (2) | NM | (100%) | 85 | (4) | NM |
| **Net income (loss)** | **$ 60** | **$ 118** | **$ 96** | **$ (101)** | **$ 401** | **NM** | **NM** | **$ 594** | **$ 396** | **(33%)** |
| Less: Income (loss) from discontinued operations, net of tax | 3 | 1 | (1) | (1) | (2) | NM | (100%) | 85 | (4) | NM |
| Less: Loss on extinguishment of debt, net of tax | - | - | - | (587) | - | - | 100% | - | (587) | - |
| Less: Net realized capital gains (losses), net of tax and DAC, excluded from core earnings | 7 | (222) | (515) | 368 | 25 | NM | (93%) | (129) | (122) | 5% |
| **Core earnings** | **$ 50** | **$ 339** | **$ 612** | **$ 119** | **$ 378** | **NM** | **NM** | **$ 638** | **$ 1,109** | **74%** |

[1] Includes investment income and mark-to-market effects of equity securities, trading, supporting the international variable annuity business, which are classified in net investment income with corresponding amounts credited to policyholders within benefits, losses and loss adjustment expenses.
[2] Restructuring and other costs is comprised of severance benefits and related costs, professional fees, asset impairment charges and other contract termination charges.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## CONSOLIDATING BALANCE SHEETS
### AS OF DECEMBER 31, 2011 AND SEPTEMBER 30, 2012

| | LIFE [1] | | | PROPERTY & CASUALTY [1] | | | CORPORATE [1] | | | CONSOLIDATED | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Dec. 31, 2011 | Sept. 30, 2012 | Change | Dec. 31, 2011 | Sept. 30, 2012 | Change | Dec. 31, 2011 | Sept. 30, 2012 | Change | Dec. 31, 2011 | Sept. 30, 2012 | Change |
| Investments | | | | | | | | | | | | |
| Fixed maturities, available-for-sale, at fair value | $ 55,633 | $ 59,656 | 7% | $ 26,023 | $ 26,486 | 2% | $ 153 | $ 584 | NM | $ 81,809 | $ 86,726 | 6% |
| Fixed maturities, at fair value using the fair value option | 1,317 | 1,343 | 2% | 11 | 12 | 9% | - | - | - | 1,328 | 1,355 | 2% |
| Equity securities, trading, at fair value | 30,499 | 29,980 | (2%) | - | - | - | - | - | - | 30,499 | 29,980 | (2%) |
| Equity securities, available-for-sale, at fair value | 515 | 494 | (4%) | 302 | 270 | (11%) | 104 | 114 | 10% | 921 | 878 | (5%) |
| Mortgage loans | 4,979 | 5,799 | 16% | 749 | 1,064 | 42% | - | - | - | 5,728 | 6,863 | 20% |
| Policy loans, at outstanding balance | 2,001 | 2,000 | - | - | - | - | - | - | - | 2,001 | 2,000 | - |
| Limited partnerships and other alternative investments | 1,318 | 1,559 | 18% | 1,214 | 1,480 | 22% | - | - | - | 2,532 | 3,039 | 20% |
| Other investments | 2,244 | 1,351 | (40%) | 121 | 165 | 36% | 29 | 24 | (17%) | 2,394 | 1,540 | (36%) |
| Short-term investments | 5,641 | 3,351 | (41%) | 658 | 705 | 7% | 1,437 | 731 | (49%) | 7,736 | 4,787 | (38%) |
| Total investments | $ 104,147 | $ 105,533 | 1% | $ 29,078 | $ 30,182 | 4% | $ 1,723 | $ 1,453 | (16%) | $ 134,948 | $ 137,168 | 2% |
| Cash | 2,377 | 2,550 | 7% | 203 | 155 | (24%) | 1 | - | (100%) | 2,581 | 2,705 | 5% |
| Premiums receivable and agents' balances | 344 | 351 | 2% | 3,102 | 3,295 | 6% | - | - | - | 3,446 | 3,646 | 6% |
| Reinsurance recoverables | 2,022 | 1,953 | (3%) | 2,746 | 2,773 | 1% | - | - | - | 4,768 | 4,726 | (1%) |
| Deferred policy acquisition costs and present value of future profits | 6,000 | 5,383 | (10%) | 556 | 564 | 1% | - | - | - | 6,556 | 5,947 | (9%) |
| Deferred income taxes | 174 | (431) | NM | 800 | 395 | (51%) | 1,157 | 1,284 | 11% | 2,131 | 1,248 | (41%) |
| Goodwill | 470 | 470 | - | 119 | 119 | - | 417 | 417 | - | 1,006 | 1,006 | - |
| Property and equipment, net | 388 | 363 | (6%) | 632 | 607 | (4%) | 9 | 9 | - | 1,029 | 979 | (5%) |
| Other assets | 1,070 | 1,559 | 46% | 1,205 | 1,265 | 5% | (1) | 300 | NM | 2,274 | 3,124 | 37% |
| Separate account assets | 143,870 | 148,369 | 3% | - | - | - | - | - | - | 143,870 | 148,369 | 3% |
| **Total assets** | **$ 260,862** | **$ 266,100** | **2%** | **$ 38,441** | **$ 39,355** | **2%** | **$ 3,306** | **$ 3,463** | **5%** | **$ 302,609** | **$ 308,918** | **2%** |
| Future policy benefits, unpaid losses and loss adjustment expenses | 19,466 | 19,460 | - | 21,550 | 21,532 | - | - | - | - | 41,016 | 40,992 | - |
| Other policyholder funds and benefits payable | 45,612 | 43,086 | (6%) | - | - | - | - | - | - | 45,612 | 43,086 | (6%) |
| Other policyholder funds and benefits payable— International variable annuities | 30,461 | 29,938 | (2%) | - | - | - | - | - | - | 30,461 | 29,938 | (2%) |
| Unearned premiums | 182 | 174 | (4%) | 5,041 | 5,197 | 3% | (1) | (1) | - | 5,222 | 5,370 | 3% |
| Debt | - | - | - | - | - | - | 6,216 | 7,126 | 15% | 6,216 | 7,126 | 15% |
| Consumer notes | 314 | 190 | (39%) | - | - | - | - | - | - | 314 | 190 | (39%) |
| Other liabilities | 5,152 | 7,253 | 41% | 1,831 | 1,749 | (4%) | 1,429 | 1,475 | 3% | 8,412 | 10,477 | 25% |
| Separate account liabilities | 143,870 | 148,369 | 3% | - | - | - | - | - | - | 143,870 | 148,369 | 3% |
| **Total liabilities** | **$ 245,057** | **$ 248,470** | **1%** | **$ 28,422** | **$ 28,478** | **-** | **$ 7,644** | **$ 8,600** | **13%** | **$ 281,123** | **$ 285,548** | **2%** |
| Common equity, excluding AOCI | 13,943 | 14,524 | 4% | 9,393 | 9,485 | 1% | (3,657) | (4,490) | (23%) | 19,679 | 19,519 | (1%) |
| Preferred stock | - | - | - | - | - | - | 556 | 556 | - | 556 | 556 | - |
| AOCI, net of tax | 1,862 | 3,106 | 67% | 626 | 1,392 | 122% | (1,237) | (1,203) | 3% | 1,251 | 3,295 | 163% |
| Total stockholders' equity | 15,805 | 17,630 | 12% | 10,019 | 10,877 | 9% | (4,338) | (5,137) | (18%) | 21,486 | 23,370 | 9% |
| **Total liabilities and equity** | **$ 260,862** | **$ 266,100** | **2%** | **$ 38,441** | **$ 39,355** | **2%** | **$ 3,306** | **$ 3,463** | **5%** | **$ 302,609** | **$ 308,918** | **2%** |

[1] Please refer to the basis of presentation on page i for a description of Life, Property & Casualty and Corporate.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## CAPITAL STRUCTURE

| | THREE MONTHS ENDED | | | | | Year Over Year | Sequential |
|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | 3 Month Change | 3 Month Change |
| **DEBT** | | | | | | | |
| Short-term debt (includes current maturities of long-term debt) | $ 400 | $ - | $ - | $ - | $ 320 | (20%) | NM |
| Senior notes | 4,480 | 4,481 | 4,481 | 6,025 | 5,706 | 27% | (5%) |
| Junior subordinated debentures | 1,737 | 1,735 | 1,739 | 1,100 | 1,100 | (37%) | - |
| **Total debt [1][2]** | **$ 6,617** | **$ 6,216** | **$ 6,220** | **$ 7,125** | **$ 7,126** | **8%** | **-** |
| **STOCKHOLDERS' EQUITY** | | | | | | | |
| Common stockholders' equity, excluding AOCI, net of tax | $ 19,651 | $ 19,679 | $ 19,390 | $ 19,149 | $ 19,519 | (1%) | 2% |
| Preferred stock | 556 | 556 | 556 | 556 | 556 | - | - |
| AOCI, net of tax | 1,155 | 1,251 | 1,328 | 2,256 | 3,295 | 185% | 46% |
| **Total stockholders' equity** | **$ 21,362** | **$ 21,486** | **$ 21,274** | **$ 21,961** | **$ 23,370** | **9%** | **6%** |
| **CAPITALIZATION** | | | | | | | |
| **Total capitalization, including AOCI, net of tax** | **$ 27,979** | **$ 27,702** | **$ 27,494** | **$ 29,086** | **$ 30,496** | **9%** | **5%** |
| **Total capitalization, excluding AOCI, net of tax** | **$ 26,824** | **$ 26,451** | **$ 26,166** | **$ 26,830** | **$ 27,201** | **1%** | **1%** |
| **DEBT TO CAPITALIZATION RATIOS [2]** | | | | | | | |
| **Total debt to capitalization, including AOCI** | **23.6 %** | **22.4 %** | **22.6 %** | **24.5 %** | **23.4 %** | **(0.2)** | **(1.1)** |
| **Total debt to capitalization, excluding AOCI** | **24.7 %** | **23.5 %** | **23.8 %** | **26.6 %** | **26.2 %** | **1.5** | **(0.4)** |
| **Total rating agency adjusted debt to capitalization [3] [4]** | **27.4 %** | **26.5 %** | **26.5 %** | **27.3 %** | **26.0 %** | **(1.4)** | **(1.3)** |

[1] On April 5, 2012, the Company issued $1.55 billion aggregate principal amount of senior notes and $600 million of junior subordinated debentures. The Company used the proceeds from these debt issuances to repurchase all of the outstanding 10% fixed to floating rate junior subordinated debentures due 2068 with a $1.75 billion aggregate principal amount held by Allianz SE for $2.125 billion. For additional information on the debt issuance, see Note 14 of the Company's June 30, 2012 10Q.

[2] The Hartford excludes consumer notes from total debt for capital structure analysis. Consumer notes were $349, $314,$310,$254 and $190 as of September 30, 2011, December 31, 2011, March 31, 2012, June 30, 2012 and September 30, 2012, respectively.

[3] Reflects a rating agency assignment in the leverage calculation of an estimate of the adjusted unfunded pension liability of the Company's defined benefit plans and six times the Company's rental expense on operating leases for total adjustments of $1.5 billion, $1.6 billion,$1.5 billion, $1.5 billion and $1.5 billion for the three months ended September 30, 2011, December 31, 2011, March 31, 2012, June 30, 2012 and September 30, 2012, respectively.

[4] Reflects 25% equity credit for the junior subordinated debentures and the discount value of the debentures issued in October 2008. Reflects 100% equity credit for the MCP stock.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## STATUTORY SURPLUS TO GAAP STOCKHOLDERS' EQUITY

| | September 30, 2012 | December 31, 2011 |
|---|---|---|
| **P&C U.S. Statutory Net Income [1]** | **$ 733** | **$ 514** |
| **Life U.S. Statutory Net Income (Loss) [1]** | **$ 844** | **$ (1,272)** |
| | | |
| **P&C U.S. Statutory Capital and Surplus [1]** | **$ 7,746** | **$ 7,412** |
| GAAP Adjustments | | |
| Deferred policy acquisition costs | 564 | 556 |
| Benefit reserves | (54) | (59) |
| GAAP unrealized losses on investments, net of tax | 1,328 | 641 |
| Goodwill | 119 | 119 |
| Non-admitted assets | 973 | 1,081 |
| Other, net | 201 | 269 |
| **P&C GAAP Stockholders' Equity** | **$ 10,877** | **$ 10,019** |
| | | |
| **Life U.S. Statutory Capital and Surplus [1]** | **$ 7,567** | **$ 7,388** |
| GAAP Adjustments | | |
| Investment in subsidiaries | 3,554 | 3,748 |
| Deferred policy acquisition costs | 5,384 | 6,000 |
| Deferred taxes | (2,347) | (1,542) |
| Benefit reserves | (1,873) | (2,991) |
| Unrealized losses on investments, net of impairments | 4,438 | 2,472 |
| Asset valuation reserve and interest maintenance reserve | 990 | 816 |
| Goodwill | 470 | 470 |
| Other, net | (553) | (556) |
| **Life GAAP Stockholders' Equity** | **$ 17,630** | **$ 15,805** |

[1] Please refer to the basis of presentation on page i for a description of Life and Property & Casualty.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

| | THREE MONTHS ENDED | | | | | Year Over Year | Sequential |
|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | 3 Month Change | 3 Month Change |
| Fixed maturities net unrealized gain | $ 1,313 | $ 1,599 | $ 1,793 | $ 2,507 | $ 3,373 | 157% | 35% |
| Equities net unrealized gain (loss) | (68) | (88) | (41) | (8) | 8 | NM | NM |
| Other-than-temporary impairment losses recognized in AOCI | (97) | (99) | (107) | (94) | (59) | 39% | 37% |
| Net deferred gain on cash-flow hedging instruments | 542 | 516 | 463 | 544 | 543 | - | - |
| Total net unrealized gain | $ 1,690 | $ 1,928 | $ 2,108 | $ 2,949 | $ 3,865 | 129% | 31% |
| Foreign currency translation adjustments | 571 | 574 | 438 | 494 | 582 | 2% | 18% |
| Pension and other postretirement adjustment | (1,106) | (1,251) | (1,218) | (1,187) | (1,152) | (4%) | 3% |
| **Total accumulated other comprehensive income** | **$ 1,155** | **$ 1,251** | **$ 1,328** | **$ 2,256** | **$ 3,295** | **185%** | **46%** |

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.

## COMPUTATION OF BASIC AND DILUTED EARNINGS (LOSSES) PER COMMON SHARE

| | THREE MONTHS ENDED | | | | | NINE MONTHS ENDED SEPTEMBER 30, | |
|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | 2011 | 2012 |
| **Numerator:** | | | | | | | |
| Net income (loss) | $ 60 | $ 118 | $ 96 | $ (101) | $ 401 | $ 594 | $ 396 |
| Less: MCP dividends | 10 | 11 | 10 | 11 | 10 | 31 | 31 |
| **Net income (loss) available to common shareholders** | **50** | **107** | **86** | **(112)** | **391** | **563** | **365** |
| Add: Impact of assumed conversion of preferred shares to common [4] | - | - | - | - | 10 | - | - |
| **Net income (loss) available to common shareholders and assumed conversion of preferred shares** | **50** | **107** | **86** | **(112)** | **401** | **563** | **365** |
| **Net income (loss) available to common shareholders** | **50** | **107** | **86** | **(112)** | **391** | **563** | **365** |
| Less: Net realized capital gains (losses), net of tax and DAC, excluded from core earnings [1] | 7 | (222) | (515) | 368 | 25 | (129) | (122) |
| Less: Loss on extinguishment of debt, net of tax | - | - | - | (587) | (0) | - | (587) |
| Less: Income (loss) from discontinued operations | 3 | 1 | (1) | (1) | (2) | 85 | (4) |
| **Core earnings available to common shareholders** | **40** | **328** | **602** | **108** | **368** | **607** | **1,078** |
| Add: Impact of assumed conversion of preferred shares to common [4] | - | 11 | 10 | - | 10 | - | 31 |
| **Core earnings available to common shareholders and assumed conversion of preferred shares** | **40** | **339** | **612** | **108** | **378** | **607** | **1,109** |
| **Denominator:** | | | | | | | |
| **Weighted average common shares outstanding (basic)** | **445.3** | **445.1** | **440.7** | **438.2** | **435.8** | **445.0** | **438.2** |
| Dilutive effect of stock compensation | 0.7 | 0.7 | 1.9 | 1.5 | 2.1 | 1.2 | 1.9 |
| Dilutive effect of CPP Warrants [2] | 27.4 | 23.1 | 26.4 | 25.1 | 23.8 | 31.4 | 25.1 |
| Dilutive effect of Allianz warrants [3] | - | - | - | - | - | 3.4 | - |
| **Weighted average common shares outstanding and dilutive potential common shares (diluted), before assumed conversion of preferred shares** | **473.4** | **468.9** | **469.0** | **464.8** | **461.7** | **481.0** | **465.2** |
| Dilutive effect of assumed conversion of MCP [4] | - | 20.7 | 20.9 | - | 21.0 | - | 20.9 |
| **Weighted average common shares outstanding and dilutive potential common shares (diluted) and assumed conversion of preferred shares** | **473.4** | **489.6** | **489.9** | **464.8** | **482.7** | **481.0** | **486.1** |
| **Basic earnings (losses) per common share** | | | | | | | |
| **Net income (loss) available to common shareholders** | **$ 0.11** | **$ 0.24** | **$ 0.20** | **$ (0.26)** | **$ 0.90** | **$ 1.27** | **$ 0.83** |
| Less: Net realized capital gains (losses), net of tax and DAC, excluded from core earnings | $ 0.02 | $ (0.50) | $ (1.17) | $ 0.84 | $ 0.06 | $ (0.29) | $ (0.28) |
| Less: Loss on extinguishment of debt, net of tax | $ - | $ - | $ - | $ (1.34) | $ - | $ - | $ (1.34) |
| Less: Income (loss) from discontinued operations | $ - | $ - | $ - | $ (0.01) | $ - | $ 0.20 | $ (0.01) |
| **Core earnings available to common shareholders** | **$ 0.09** | **$ 0.74** | **$ 1.37** | **$ 0.25** | **$ 0.84** | **$ 1.36** | **$ 2.46** |
| **Diluted earnings per common share [5]** | | | | | | | |
| **Net income (loss) available to common shareholders** | **$ 0.11** | **$ 0.23** | **$ 0.18** | **$ (0.26)** | **$ 0.85** | **$ 1.17** | **$ 0.78** |
| Add: Impact of assumed conversion of preferred shares to common [4] | $ - | $ - | $ - | $ - | $ (0.02) | $ - | $ - |
| **Net income (loss) available to common shareholders and assumed conversion of preferred shares** | **$ 0.11** | **$ 0.23** | **$ 0.18** | **$ (0.26)** | **$ 0.83** | **$ 1.17** | **$ 0.78** |
| **Net income (loss) available to common shareholders** | **$ 0.11** | **$ 0.23** | **$ 0.18** | **$ (0.26)** | **$ 0.85** | **$ 1.17** | **$ 0.78** |
| Add: Difference arising from shares used for the denominator between net loss and core earnings | - | - | - | 0.01 | - | - | - |
| Less: Net realized capital gains (losses), net of tax and DAC, excluded from core earnings | 0.02 | (0.47) | (1.10) | 0.79 | 0.05 | (0.29) | (0.27) |
| Less: Loss on extinguishment of debt, net of tax | - | - | - | (1.26) | - | - | (1.26) |
| Less: Income (loss) from discontinued operations | 0.01 | - | - | (0.01) | - | 0.20 | (0.01) |
| **Core earnings available to common shareholders** | **0.08** | **0.70** | **1.28** | **0.23** | **0.80** | **1.26** | **2.32** |
| Add: Impact of assumed conversion of preferred shares to common [4] | - | (0.01) | (0.03) | - | (0.02) | - | (0.04) |
| **Core earnings available to common shareholders and assumed conversion of preferred shares** | **0.08** | **0.69** | **1.25** | **0.23** | **0.78** | **1.26** | **2.28** |

[1] See pages 11 and 12 for disclosure of the components of net realized capital gains (losses), net of tax and DAC, for the periods presented herein.

[2] The Hartford issued 52.1 million warrants to purchase The Hartford Common Stock to the U.S. Department of the Treasury on June 26, 2009 at a strike price of $9.79. The declaration of a quarterly common stock dividend of $0.10 during the third quarter of 2011 triggered a provision in The Hartford's Warrant Agreement with The Bank of New York Mellon resulting in an adjustment to the warrant exercise price to $9.622 from $9.649.

[3] The Hartford issued 69.4 million warrants to purchase The Hartford Common Stock to Allianz on October 17, 2008 at a strike price of $25.23. On March 30, 2012, The Hartford repurchased 69.4 million warrants for $300 million as part of the company's existing $500 million equity repurchase program.

[4] The Hartford issued $575 of mandatory convertible preferred stock which, at September 30, 2011, and June 30, 2012 would have been convertible into 20.7 million and 21.0 million weighted average shares of common stock, respectively.

[5] As a result of anti-dilutive impact, in periods of a loss, weighted average common shares outstanding (basic) are used in the calculation of diluted earnings per share.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## ANALYSIS OF NET REALIZED CAPITAL GAINS (LOSSES) AFTER-TAX AND DAC

| | THREE MONTHS ENDED | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| **Net Realized Capital Gains (Losses), After-Tax and DAC** | | | | | | | | | | |
| Gains/losses on sales, net | $ 52 | $ 69 | $ 112 | $ 56 | $ 49 | (6%) | (13%) | $ 178 | $ 217 | 22% |
| Net impairment losses | (34) | (34) | (16) | (60) | (24) | 29% | 60% | (78) | (100) | (28%) |
| Japanese fixed annuity contract hedges, net | 5 | 4 | (13) | 1 | (15) | NM | NM | (2) | (27) | NM |
| Results of variable annuity hedge program | | | | | | | | | | |
| U.S. GMWB derivatives, net [1] | (167) | (74) | 78 | (55) | 230 | NM | NM | (164) | 253 | NM |
| U.S. macro hedge | 24 | (29) | (76) | (1) | (55) | NM | NM | (15) | (132) | NM |
| Total U.S. Program | (143) | (103) | 2 | (56) | 175 | NM | NM | (179) | 121 | NM |
| International program | 621 | (98) | (760) | 508 | (98) | NM | NM | 536 | (350) | NM |
| Total results of variable annuity hedge program | 478 | (201) | (758) | 452 | 77 | (84%) | (83%) | 357 | (229) | NM |
| Other net gain (loss) [2] | (228) | (17) | 137 | (56) | - | 100% | 100% | (269) | 81 | NM |
| **Total net realized capital gains (losses), after-tax and DAC, excluding unlock** | **$ 273** | **$ (179)** | **$ (538)** | **$ 393** | **$ 87** | **(68%)** | **(78%)** | **$ 186** | **$ (58)** | **NM** |
| **DAC unlock impacts on net realized gains (losses)** | (262) | (40) | 22 | (19) | (56) | 79% | (195%) | (310) | (53) | 83% |
| **Total net realized captial gains (losses), after-tax and DAC** | **$ 11** | **$ (219)** | **$ (516)** | **$ 374** | **$ 31** | **182%** | **(92%)** | **$ (124)** | **$ (111)** | **10%** |
| **Reconciliation of Net Realized Capital Gains (Losses), net of tax and DAC, excluded from Core Earnings (Losses) to Total Net Realized Capital Gains (Losses) — After-Tax and DAC** | | | | | | | | | | |
| Total net realized capital gains (losses) | 11 | (219) | (516) | 374 | 31 | NM | NM | (124) | (111) | (5%) |
| Less: total net realized capital gains (losses) included in core earnings (losses) | 4 | 3 | (1) | 6 | 6 | NM | NM | 5 | 11 | NM |
| **Total net realized capital gains (losses), after tax and DAC, excluded from core earnings (losses)** | **$ 7** | **$ (222)** | **$ (515)** | **$ 368** | **$ 25** | **NM** | **NM** | **$ (129)** | **$ (122)** | **(8%)** |

[1] Included in the three and nine months ended, September 30, 2012 are liability model assumption updates of $196 and $33, after tax.
[2] Other net gain (loss) primarily represents income from derivatives that qualify for hedge accounting and hedge fixed maturities.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## COMPUTATION OF RETURN-ON-EQUITY MEASURES

| | THREE MONTHS ENDED | | | | |
|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 |
| Numerator [1]: | | | | | |
| Net income available to common shareholders - last 12 months | $ 1,208 | $ 712 | $ 307 | $ 173 | $ 514 |
| Core earnings available to common shareholders - last 12 months | $ 1,173 | $ 977 | $ 1,015 | $ 1,120 | $ 1,448 |
| Denominator [2]: | | | | | |
| Average common stockholders' equity, including AOCI | 20,387.0 | 20,120.0 | 20,360.5 | 21,059.5 | 22,366.0 |
| Less: Average AOCI | 708.2 | 130.5 | 295.0 | 1,115.5 | 2,225.0 |
| Average common stockholders' equity, excluding AOCI | 19,678.8 | 19,989.5 | 20,065.5 | 19,944.0 | 20,141.0 |
| ROE (net income last 12 months to common stockholders' equity, including AOCI) [3] | 5.9 % | 3.5 % | 1.5 % | 0.8 % | 2.3 % |
| ROE (core earnings last 12 months to common stockholders' equity, excluding AOCI) [3] | 6.0 % | 4.9 % | 5.1 % | 5.6 % | 7.2 % |

[1] For a reconciliation of net income to core earnings, see page 8.

[2] Average equity is calculated by taking the sum of common stockholders' equity at the beginning of the twelve month period and common stockholders' equity at the end of the twelve month period and dividing by 2.

[3] When calculating return-on-equity, the MCP preferred stock is included in average common stockholders' equity and MCP preferred dividends are added back to net income available to common shareholders and core earnings available to common shareholders.

# COMMERCIAL MARKETS

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.

## COMMERCIAL MARKETS

### INCOME STATEMENTS

| | THREE MONTHS ENDED | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| Earned premiums | $ 2,553 | $ 2,554 | $ 2,514 | $ 2,502 | $ 2,508 | (2%) | - | $ 7,658 | $ 7,524 | (2%) |
| Fee income | 16 | 16 | 15 | 16 | 15 | (6%) | (6%) | 46 | 46 | - |
| Net investment income | 319 | 311 | 334 | 346 | 320 | - | (8%) | 1,010 | 1,000 | (1%) |
| Other revenues | 28 | 20 | 22 | 26 | 27 | (4%) | 4% | 77 | 75 | (3%) |
| Net realized capital gains (losses) | (45) | 6 | 63 | (16) | 21 | NM | NM | (59) | 68 | NM |
| **Total revenues** | **2,871** | **2,907** | **2,948** | **2,874** | **2,891** | **1%** | **1%** | **8,732** | **8,713** | **-** |
| Losses and loss adjustment expenses | 1,983 | 2,080 | 1,886 | 1,847 | 1,860 | (6%) | 1% | 5,810 | 5,593 | (4%) |
| Amortization of deferred policy acquisition costs | 238 | 238 | 239 | 239 | 240 | 1% | - | 714 | 718 | 1% |
| Insurance operating costs and other expenses | 567 | 522 | 549 | 541 | 532 | (6%) | (2%) | 1,739 | 1,622 | (7%) |
| Goodwill impairment | - | 30 | - | - | - | - | - | - | - | - |
| Restructuring and other costs | - | - | - | 4 | 2 | - | (50%) | - | 6 | - |
| **Total benefits and expenses** | **2,788** | **2,870** | **2,674** | **2,631** | **2,634** | **(6%)** | **-** | **8,263** | **7,939** | **(4%)** |
| **Income from continuing operations before income taxes** | **83** | **37** | **274** | **243** | **257** | **NM** | **6%** | **469** | **774** | **65%** |
| Income tax expense (benefit) [1] | 3 | (15) | 66 | 58 | 61 | NM | 5% | 53 | 185 | NM |
| **Income from continuing operations, net of tax** | **80** | **52** | **208** | **185** | **196** | **145%** | **6%** | **416** | **589** | **42%** |
| Income (loss) from discontinued operations, net of tax | (2) | (5) | (1) | (1) | (2) | - | (100%) | 155 | (4) | NM |
| **Net income** | **78** | **47** | **207** | **184** | **194** | **149%** | **5%** | **571** | **585** | **2%** |
| Less: Income (loss) from discontinued operations, net of tax | (2) | (5) | (1) | (1) | (2) | - | (100%) | 155 | (4) | NM |
| Less: Net realized capital gains (losses), after-tax, excluded from core earnings [1] | (27) | 6 | 41 | (9) | 13 | NM | NM | (13) | 45 | NM |
| **Core earnings** | **$ 107** | **$ 46** | **$ 167** | **$ 194** | **$ 183** | **71%** | **(6%)** | **$ 429** | **$ 544** | **27%** |

[1] The nine months ended September 30, 2011 includes a benefit of $21, related to the release of a tax valuation allowance.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.

## COMMERCIAL MARKETS

### PROPERTY & CASUALTY COMMERCIAL

### OPERATING RESULTS

| | THREE MONTHS ENDED | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| **UNDERWRITING RESULTS** | | | | | | | | | | |
| Written premiums | $ 1,551 | $ 1,482 | $ 1,687 | $ 1,516 | $ 1,552 | - | 2% | $ 4,694 | $ 4,755 | 1% |
| Change in unearned premium reserve | (2) | (77) | 130 | (36) | (30) | NM | 17% | 126 | 64 | (49%) |
| Earned premiums | 1,553 | 1,559 | 1,557 | 1,552 | 1,582 | 2% | 2% | 4,568 | 4,691 | 3% |
| Losses and loss adjustment expenses | | | | | | | | | | |
| Current accident year before catastrophes [1] | 1,085 | 1,142 | 1,027 | 995 | 1,089 | - | 9% | 2,997 | 3,111 | 4% |
| Current accident year catastrophes | 93 | 15 | 32 | 74 | 10 | (89%) | (86%) | 305 | 116 | (62%) |
| Prior accident years [2] [3] | (9) | 109 | 20 | 19 | 15 | NM | (21%) | 16 | 54 | NM |
| Total losses and loss adjustment expenses | 1,169 | 1,266 | 1,079 | 1,088 | 1,114 | (5%) | 2% | 3,318 | 3,281 | (1%) |
| Underwriting expenses [4] | 453 | 429 | 476 | 466 | 449 | (1%) | (4%) | 1,375 | 1,391 | 1% |
| Dividends to policyholders [5] | 5 | 5 | (2) | 5 | 5 | - | - | 13 | 8 | (38%) |
| **Underwriting results** | **(74)** | **(141)** | **4** | **(7)** | **14** | **NM** | **NM** | **(138)** | **11** | **NM** |
| Net investment income | 217 | 212 | 235 | 239 | 222 | 2% | (7%) | 698 | 696 | - |
| Periodic net coupon settlements on credit derivatives, before-tax | (2) | - | - | - | - | 100% | - | (5) | - | 100% |
| Other expenses | (35) | (29) | (26) | (14) | (25) | 29% | (79%) | (109) | (65) | 40% |
| Goodwill impairment | - | (30) | - | - | - | - | - | - | - | - |
| Restructuring and other costs | - | - | - | (4) | (1) | - | 75% | - | (5) | - |
| Income tax (expense) benefit | (19) | 17 | (51) | (54) | (50) | (163%) | 7% | (86) | (155) | (80%) |
| **Core earnings** | **87** | **29** | **162** | **160** | **160** | **84%** | **-** | **360** | **482** | **34%** |
| Add: Net realized capital gains (losses), after-tax | (32) | 8 | 28 | (10) | 6 | NM | NM | (21) | 24 | NM |
| **Income from continuing operations, net of tax** | **55** | **37** | **190** | **150** | **166** | **NM** | **11%** | **339** | **506** | **49%** |
| Add: Less loss from discontinued operations, net of tax | (2) | (5) | (1) | (1) | (2) | - | (100%) | 155 | (4) | NM |
| **Net income** | **$ 53** | **$ 32** | **$ 189** | **$ 149** | **$ 164** | **NM** | **10%** | **$ 494** | **$ 502** | **2%** |

[1] The three months ended September 30, 2011 included current accident year reserve strengthening of $47 predominantly related to workers compensation business. The three months ended December 31, 2011 included current accident year reserve strengthening of $87 predominantly related to workers compensation business. The three months ended September 30, 2012 included current accident year reserve strengthening of $39 predominantly related to workers compensation business and auto liability claims.

[2] Included within prior accident years development were the following reserve strengthenings (releases):

| | THREE MONTHS ENDED | | | | | NINE MONTHS ENDED SEPTEMBER 30, | |
|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | 2011 | 2012 |
| Auto liability | $ (4) | $ 1 | $ 12 | $ 19 | $ 14 | (5) | 45 |
| Workers' compensation | 7 | 161 | 8 | 43 | 18 | 10 | 69 |
| Package business | (42) | (30) | (16) | (16) | (2) | (46) | (34) |
| General liability | (8) | (44) | (16) | (24) | (36) | 4 | (76) |
| Professional liability | 29 | 7 | 9 | 9 | 22 | 22 | 40 |
| Discount accretion on workers' compensation | 15 | 6 | 29 | 8 | 8 | 32 | 45 |
| Catastrophes | 2 | 5 | 3 | (39) | (2) | 7 | (38) |
| Other reserve re-estimates, net | (8) | 3 | (9) | 19 | (7) | (8) | 3 |
| Total prior accident years development | **$ (9)** | **$ 109** | **$ 20** | **$ 19** | **$ 15** | **$ 16** | **$ 54** |

[3] The three months ended June 30, 2012 includes one time reserve releases on certain prior year catastrophes as a result of our regular reserve review process.

[4] The three months ended December 31, 2011 included taxes, licenses and fees reserve releases of $12.

[5] The three months ended March 31, 2012 included a decrease in prior year dividends of $8.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## COMMERCIAL MARKETS
## PROPERTY & CASUALTY COMMERCIAL
### UNDERWRITING RESULTS

| | THREE MONTHS ENDED | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| **UNDERWRITING RESULTS** | **$ (74)** | **$ (141)** | **$ 4** | **$ (7)** | **$ 14** | **NM** | **NM** | **$ (138)** | **$ 11** | **NM** |
| **UNDERWRITING RATIOS** | | | | | | | | | | |
| Losses and loss adjustment expenses | | | | | | | | | | |
| Current accident year before catastrophes [1] | 69.9 | 73.3 | 66.0 | 64.1 | 68.8 | 1.1 | (4.7) | 65.6 | 66.3 | (0.7) |
| Current accident year catastrophes | 6.0 | 1.0 | 2.1 | 4.8 | 0.6 | 5.4 | 4.2 | 6.7 | 2.5 | 4.2 |
| Prior accident years [2] | (0.6) | 7.0 | 1.3 | 1.2 | 0.9 | (1.5) | 0.3 | 0.4 | 1.2 | (0.8) |
| Total losses and loss adjustment expenses | 75.3 | 81.2 | 69.3 | 70.1 | 70.4 | 4.9 | (0.3) | 72.6 | 69.9 | 2.7 |
| Expenses | 29.2 | 27.5 | 30.6 | 30.0 | 28.4 | 0.8 | 1.6 | 30.1 | 29.7 | 0.4 |
| Policyholder dividends | 0.3 | 0.3 | (0.1) | 0.3 | 0.3 | - | - | 0.3 | 0.2 | 0.1 |
| **Combined ratio** | **104.8** | **109.0** | **99.7** | **100.5** | **99.1** | **5.7** | **1.4** | **103.0** | **99.8** | **3.2** |
| Catastrophes | | | | | | | | | | |
| Current year | 6.0 | 1.0 | 2.1 | 4.8 | 0.6 | 5.4 | 4.2 | 6.7 | 2.5 | 4.2 |
| Prior year | 0.1 | 0.3 | 0.2 | (2.5) | (0.1) | 0.2 | (2.4) | 0.2 | (0.8) | 1.0 |
| Catastrophe ratio | 6.1 | 1.3 | 2.2 | 2.3 | 0.5 | 5.6 | 1.8 | 6.8 | 1.7 | 5.1 |
| **Combined ratio before catastrophes** | **98.6** | **107.8** | **97.5** | **98.2** | **98.6** | **-** | **(0.4)** | **96.2** | **98.1** | **(1.9)** |
| **Combined ratio before catastrophes and prior year development** | **99.4** | **101.1** | **96.4** | **94.5** | **97.5** | **1.9** | **(3.0)** | **96.0** | **96.1** | **(0.1)** |

[1] The three months ended September 30, 2011 included current accident year reserve strengthening of 3.0 points, predominantly related to workers' compensation business. The three months ended December 31, 2011 included current accident year reserve strengthening of 5.6 points, predominantly related to workers' compensation business. The three months ended September 30, 2012 included current accident year reserve strengthening of 2.5 points predominantly related to workers compensation business and auto liability claims.
[2] Refer to footnote 2 on page 12 for a summary of reserve strengthenings (releases) that are included within prior accident years development.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## COMMERCIAL MARKETS
### PROPERTY & CASUALTY COMMERCIAL
### SUPPLEMENTAL DATA

| | THREE MONTHS ENDED | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| **WRITTEN PREMIUMS [1]** | | | | | | | | | | |
| Small Commercial | $ 719 | $ 688 | $ 815 | $ 769 | $ 728 | 1% | (5%) | $ 2,199 | $ 2,311 | 5% |
| Middle Market | $ 572 | $ 569 | $ 581 | $ 512 | $ 557 | (3%) | 9% | $ 1,711 | $ 1,650 | (4%) |
| **EARNED PREMIUMS [1]** | | | | | | | | | | |
| Small Commercial | $ 715 | $ 719 | $ 726 | $ 738 | $ 755 | 6% | 2% | $ 2,086 | $ 2,219 | 6% |
| Middle Market | $ 587 | $ 584 | $ 577 | $ 562 | $ 565 | (4%) | 1% | $ 1,738 | $ 1,704 | (2%) |
| **SMALL COMMERCIAL** | | | | | | | | | | |
| Combined ratio | 96.2 | 101.1 | 97.3 | 94.8 | 93.6 | 2.6 | 1.2 | 97.2 | 95.2 | 2.0 |
| Combined ratio before catastrophes | 89.8 | 99.5 | 93.1 | 88.7 | 93.0 | (3.2) | (4.3) | 87.4 | 91.6 | (4.2) |
| Combined ratio before catastrophes and prior year development | 92.5 | 92.9 | 91.8 | 87.1 | 92.6 | (0.1) | (5.5) | 88.3 | 90.5 | (2.2) |
| **MIDDLE MARKET** | | | | | | | | | | |
| Combined ratio | 109.4 | 121.0 | 98.8 | 104.1 | 103.5 | 5.9 | 0.6 | 106.4 | 102.1 | 4.3 |
| Combined ratio before catastrophes | 101.3 | 119.2 | 97.6 | 102.5 | 103.7 | (2.4) | (1.2) | 100.7 | 101.2 | (0.5) |
| Combined ratio before catastrophes and prior year development | 103.7 | 108.9 | 99.2 | 98.4 | 100.7 | 3.0 | (2.3) | 100.9 | 99.4 | 1.5 |
| **STATISTICAL PREMIUM INFORMATION (YEAR OVER YEAR)** | | | | | | | | | | |
| **Renewal Written Price Increases** | | | | | | | | | | |
| Standard commercial lines | 4% | 5% | 7% | 7% | 8% | 4% | 1% | 3% | 7% | 4% |
| **Policy Count Retention** | | | | | | | | | | |
| Small Commercial | 82% | 83% | 84% | 82% | 84% | 2% | 2% | 83% | 83% | - |
| Middle Market | 77% | 77% | 79% | 73% | 78% | 1% | 5% | 79% | 77% | (2%) |
| **New Business Premium $** | | | | | | | | | | |
| Small Commercial | $ 135 | $ 119 | $ 145 | $ 135 | $ 109 | (19%) | (19%) | $ 424 | $ 389 | (8%) |
| Middle Market | $ 105 | $ 86 | $ 91 | $ 78 | $ 86 | (18%) | 10% | $ 337 | $ 255 | (24%) |
| **Policies in force** | | | | | | | | | | |
| Small Commercial | 1,172,591 | 1,170,947 | 1,179,995 | 1,188,147 | 1,191,451 | 2% | - | | | |
| Middle Market | 84,421 | 82,695 | 81,159 | 78,676 | 77,372 | (8%) | (2%) | | | |

[1] The difference between the written premiums and earned premiums is attributable to the change in unearned premium reserve.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## COMMERCIAL MARKETS
### GROUP BENEFITS
### INCOME STATEMENTS

| | THREE MONTHS ENDED | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| Earned premiums | $ 1,000 | $ 995 | $ 957 | $ 950 | $ 926 | (7%) | (3%) | $ 3,090 | $ 2,833 | (8%) |
| Fee income | 16 | 16 | 15 | 16 | 15 | (6%) | (6%) | 46 | 46 | - |
| Net investment income | 102 | 99 | 99 | 107 | 98 | (4%) | (8%) | 312 | 304 | (3%) |
| Net realized capital gains (losses) | 6 | (5) | 20 | - | 11 | 83% | - | 2 | 31 | NM |
| **Total revenues** | **$ 1,124** | **$ 1,105** | **$ 1,091** | **$ 1,073** | **$ 1,050** | **(7%)** | **(2%)** | **$ 3,450** | **$ 3,214** | **(7%)** |
| Benefits, losses and loss adjustment expenses | 814 | 814 | 807 | 759 | 746 | (8%) | (2%) | 2,492 | 2,312 | (7%) |
| Amortization of deferred policy acquisition costs | 9 | 8 | 8 | 8 | 9 | - | 13% | 27 | 25 | (7%) |
| Insurance operating costs and other expenses | 274 | 270 | 258 | 261 | 257 | (6%) | (2%) | 851 | 776 | (9%) |
| Restructuring and other costs | - | - | - | - | 1 | - | - | - | 1 | - |
| **Total benefits and expenses** | **$ 1,097** | **$ 1,092** | **$ 1,073** | **$ 1,028** | **$ 1,013** | **(8%)** | **(1%)** | **$ 3,370** | **$ 3,114** | **(8%)** |
| **Income from continuing operations before income taxes** | **27** | **13** | **18** | **45** | **37** | **37%** | **(18%)** | **80** | **100** | **25%** |
| Income tax expense (benefit) | 2 | (2) | - | 10 | 7 | NM | (30%) | 3 | 17 | NM |
| **Net income** | **$ 25** | **$ 15** | **$ 18** | **$ 35** | **$ 30** | **20%** | **(14%)** | **$ 77** | **$ 83** | **8%** |
| Less: Net realized capital gains (losses), after-tax, excluded from core earnings | 5 | (2) | 13 | 1 | 7 | 40% | NM | 8 | 21 | 162% |
| **Core earnings** | **$ 20** | **$ 17** | **$ 5** | **$ 34** | **$ 23** | **15%** | **(32%)** | **$ 69** | **$ 62** | **(10%)** |
| **EARNINGS MARGIN (After-tax)** | | | | | | | | | | |
| Net income | 2.2 % | 1.4 % | 1.7 % | 3.3 % | 2.9 % | 0.7 | (0.4) | 2.3 % | 2.6 % | 0.3 |
| Core earnings | 1.8 % | 1.5 % | 0.5 % | 3.2 % | 2.2 % | 0.4 | (1.0) | 2.0 % | 2.0 % | - |

[1] The nine months ended September 30, 2011 includes a one-time payment to a third-party administrator of $8, before-tax.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## COMMERCIAL MARKETS
### GROUP BENEFITS
### SUPPLEMENTAL DATA

| | THREE MONTHS ENDED | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| **PREMIUMS** | | | | | | | | | | |
| **Fully Insured — Ongoing Premiums** | | | | | | | | | | |
| Group disability | $ 452 | $ 452 | $ 428 | $ 423 | $ 411 | (9%) | (3%) | $ 1,366 | $ 1,262 | (8%) |
| Group life | 501 | 495 | 476 | 478 | 468 | (7%) | (2%) | 1,529 | 1,422 | (7%) |
| Other | 47 | 48 | 50 | 49 | 47 | - | (4%) | 146 | 146 | - |
| **Total fully insured — ongoing premiums** | **1,000** | **995** | **954** | **950** | **926** | **(7%)** | **(3%)** | **3,041** | **2,830** | **(7%)** |
| Total buyouts [1] | - | - | 3 | - | - | - | - | 49 | 3 | (94%) |
| **Total premiums** | **1,000** | **995** | **957** | **950** | **926** | **(7%)** | **(3%)** | **3,090** | **2,833** | **(8%)** |
| Group disability — premium equivalents [2] | 109 | 111 | 110 | 111 | 114 | 5% | 3% | 321 | 335 | 4% |
| **Total premiums and premium equivalent** | **$ 1,109** | **$ 1,106** | **$ 1,067** | **$ 1,061** | **$ 1,040** | **(6%)** | **(2%)** | **$ 3,411** | **$ 3,168** | **(7%)** |
| **SALES (GROSS ANNUALIZED NEW PREMIUMS)** | | | | | | | | | | |
| **Fully Insured — Ongoing Sales** | | | | | | | | | | |
| Group disability | $ 36 | $ 33 | $ 86 | $ 27 | $ 25 | (31%) | (7%) | $ 186 | $ 138 | (26%) |
| Group life | 53 | 40 | 135 | 37 | 24 | (55%) | (35%) | 229 | 196 | (14%) |
| Other | 2 | 5 | 7 | 2 | 6 | NM | NM | 12 | 15 | 25% |
| **Total fully insured — ongoing sales** | **$ 91** | **$ 78** | **$ 228** | **$ 66** | **$ 55** | **(40%)** | **(17%)** | **$ 427** | **$ 349** | **(18%)** |
| Total buyouts [1] | (1) | - | 2 | 1 | - | 100% | (100%) | 48 | 3 | (94%) |
| **Total sales** | **90** | **78** | **230** | **67** | **55** | **(39%)** | **(18%)** | **475** | **352** | **(26%)** |
| Group disability premium equivalents [2] | 23 | 14 | 31 | 3 | 7 | (68%) | 185% | 92 | 41 | (56%) |
| **Total sales and premium equivalents** | **$ 113** | **$ 92** | **$ 261** | **$ 70** | **$ 62** | **(45%)** | **(11%)** | **$ 567** | **$ 393** | **(31%)** |
| **RATIOS [3]** | | | | | | | | | | |
| Loss ratio | 80.1 % | 80.5 % | 83.0 % | 78.6 % | 79.3 % | 0.8 | (0.7) | 79.1 % | 80.3 % | (1.2) |
| Expense ratio [4] | 27.9 % | 27.5 % | 27.5 % | 27.8 % | 28.4 % | (0.5) | (0.6) | 28.4 % | 27.9 % | 0.5 |
| **GAAP RESERVES [5]** | | | | | | | | | | |
| Group disability | $ 5,259 | $ 5,307 | $ 5,342 | $ 5,348 | $ 5,346 | 2% | - | | | |
| Group life | $ 1,206 | $ 1,202 | $ 1,174 | $ 1,159 | $ 1,151 | (5%) | (1%) | | | |
| Other | $ 75 | $ 77 | $ 75 | $ 73 | $ 71 | (5%) | (3%) | | | |
| **Total GAAP reserves** | **$ 6,540** | **$ 6,586** | **$ 6,591** | **$ 6,580** | **$ 6,568** | **-** | **-** | | | |

[1] Takeover of open claim liabilities and other non-recurring premium amounts.
[2] ASO fees and claims under claim management agreements.
[3] Ratios calculated excluding the effects of buyout premiums.
[4] The nine months ended September 30, 2011 includes a one-time payment to a third-party administrator totaling 0.2 points
[5] Reserve balances for the three months ended September 30, 2011, December 31, 2011, March 31, 2012, June 30, 2012 and September 30, 2012 are net of reinsurance recoverables of $225, $233, $239, $244 and $254, respectively.

# CONSUMER MARKETS

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## CONSUMER MARKETS
## INCOME STATEMENTS

| | THREE MONTHS ENDED | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| Earned premiums | $ 930 | $ 922 | $ 909 | $ 904 | $ 912 | (2%) | 1% | $ 2,825 | $ 2,725 | (4%) |
| Net investment income | 46 | 42 | 43 | 41 | 38 | (17%) | (7%) | 145 | 122 | (16%) |
| Other revenues | 35 | 45 | 37 | 35 | 37 | 6% | 6% | 111 | 109 | (2%) |
| Net realized capital gains (losses) | (10) | 1 | 7 | (2) | 2 | NM | NM | (12) | 7 | NM |
| **Total revenues** | **1,001** | **1,010** | **996** | **978** | **989** | **(1%)** | **1%** | **3,069** | **2,963** | **(3%)** |
| Losses and loss adjustment expenses | 767 | 616 | 558 | 788 | 579 | (25%) | (27%) | 2,270 | 1,925 | (15%) |
| Amortization of deferred policy acquisition costs | 84 | 83 | 83 | 84 | 82 | (2%) | (2%) | 254 | 249 | (2%) |
| Insurance operating costs and other expenses [1] | 180 | 183 | 196 | 187 | 189 | 5% | 1% | 688 | 572 | (17%) |
| Restructuring and other costs | - | - | - | 1 | - | - | (100%) | - | 1 | - |
| **Total benefits and expenses** | **1,031** | **882** | **837** | **1,060** | **850** | **(18%)** | **(20%)** | **3,212** | **2,747** | **(14%)** |
| **Income (loss) before income taxes** | **(30)** | **128** | **159** | **(82)** | **139** | **NM** | **NM** | **(143)** | **216** | **NM** |
| Income tax expense (benefit) | (14) | 41 | 51 | (32) | 45 | NM | NM | (63) | 64 | NM |
| **Net income (loss)** | **(16)** | **87** | **108** | **(50)** | **94** | **NM** | **NM** | **(80)** | **152** | **NM** |
| Less: Net realized capital gains (losses), after-tax, excluded from core earnings (losses) | (6) | 2 | 6 | (2) | 1 | NM | NM | (4) | 5 | NM |
| **Core earnings (losses)** | **$ (10)** | **$ 85** | **$ 102** | **$ (48)** | **$ 93** | **NM** | **NM** | **$ (76)** | **$ 147** | **NM** |

[1] The nine months ended September 30, 2011 includes a charge of $113, before-tax, related to a discontinued software program.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.

## CONSUMER MARKETS

### OPERATING RESULTS

| | THREE MONTHS ENDED | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| **UNDERWRITING RESULTS** | | | | | | | | | | |
| Written premiums | $ 964 | $ 858 | $ 861 | $ 950 | $ 960 | - | 1% | $ 2,817 | $ 2,771 | (2%) |
| Change in unearned premium reserve | 34 | (64) | (48) | 46 | 48 | 41% | 4% | (8) | 46 | NM |
| Earned premiums | 930 | 922 | 909 | 904 | 912 | (2%) | 1% | 2,825 | 2,725 | (4%) |
| Losses and loss adjustment expenses | | | | | | | | | | |
| Current accident year before catastrophes | 663 | 634 | 574 | 595 | 628 | (5%) | 6% | 1,902 | 1,797 | (6%) |
| Current accident year catastrophes [1] | 113 | (1) | 39 | 216 | - | (100%) | (100%) | 426 | 255 | (40%) |
| Prior accident years [2] | (9) | (17) | (55) | (23) | (49) | NM | (113%) | (58) | (127) | (119%) |
| Total losses and loss adjustment expenses | 767 | 616 | 558 | 788 | 579 | (25%) | (27%) | 2,270 | 1,925 | (15%) |
| Underwriting expenses | 225 | 218 | 233 | 230 | 223 | (1%) | (3%) | 691 | 686 | (1%) |
| **Underwriting results** | **(62)** | **88** | **118** | **(114)** | **110** | **NM** | **NM** | **(136)** | **114** | **NM** |
| Net investment income | 46 | 42 | 43 | 41 | 38 | (17%) | (7%) | 145 | 122 | (16%) |
| Periodic net coupon settlements on credit derivatives, before-tax | - | (1) | (1) | - | 1 | - | - | (1) | - | 100% |
| Other expenses [3] | (4) | (3) | (9) | (5) | (12) | NM | (140%) | (140) | (26) | 81% |
| Restructuring and other costs | - | - | - | (1) | - | - | 100% | - | (1) | - |
| Income tax (expense) benefit | 10 | (41) | (49) | 31 | (44) | NM | NM | 56 | (62) | NM |
| **Core earnings (losses)** | **(10)** | **85** | **102** | **(48)** | **93** | **NM** | **NM** | **(76)** | **147** | **NM** |
| Add: Net realized capital gains (losses), after-tax, excluded from core earnings (losses) | (6) | 2 | 6 | (2) | 1 | NM | NM | (4) | 5 | NM |
| **Net income (loss)** | **$ (16)** | **$ 87** | **$ 108** | **$ (50)** | **$ 94** | **NM** | **NM** | **$ (80)** | **$ 152** | **NM** |

[1] In the three months ended September 30, 2012 current accident year catastrophe losses were offset by favorable development on prior quarter 2012 accident year catastrophes.

[2] Included within prior accident years development were the following reserve strengthenings (releases):

| | THREE MONTHS ENDED | | | | | NINE MONTHS ENDED SEPTEMBER 30, | |
|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | 2011 | 2012 |
| Auto liability | $ (19) | $ (10) | $ (30) | $ (11) | $ (38) | $ (83) | $ (79) |
| Homeowners | 14 | (2) | (5) | (1) | (4) | 1 | (10) |
| Catastrophes | - | (3) | (14) | (9) | (6) | 28 | (29) |
| Other reserve re-estimates, net | (4) | (2) | (6) | (2) | (1) | (4) | (9) |
| Total prior accident years development | $ (9) | $ (17) | $ (55) | $ (23) | $ (49) | $ (58) | $ (127) |

[3] The nine months ended September 30, 2011 includes a charge of $113, before-tax, related to a discontinued software program.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## CONSUMER MARKETS
### UNDERWRITING RESULTS

| | THREE MONTHS ENDED | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| **UNDERWRITING RESULTS** | **$ (62)** | **$ 88** | **$ 118** | **$ (114)** | **$ 110** | **NM** | **NM** | **$ (136)** | **$ 114** | **NM** |
| **UNDERWRITING RATIOS** | | | | | | | | | | |
| Losses and loss adjustment expenses | | | | | | | | | | |
| Current accident year before catastrophes | 71.3 | 68.8 | 63.1 | 65.8 | 68.9 | 2.4 | (3.1) | 67.3 | 65.9 | 1.4 |
| Current accident year catastrophes | 12.2 | (0.1) | 4.3 | 23.9 | - | 12.2 | 23.9 | 15.1 | 9.4 | 5.7 |
| Prior accident years [1] | (1.0) | (1.8) | (6.1) | (2.5) | (5.4) | 4.4 | 2.9 | (2.1) | (4.7) | 2.6 |
| Total losses and loss adjustment expenses | 82.5 | 66.8 | 61.4 | 87.2 | 63.5 | 19.0 | 23.7 | 80.4 | 70.6 | 9.8 |
| Expenses | 24.2 | 23.6 | 25.6 | 25.4 | 24.5 | (0.3) | 0.9 | 24.5 | 25.2 | (0.7) |
| **Combined ratio** | **106.7** | **90.5** | **87.0** | **112.6** | **87.9** | **18.8** | **24.7** | **104.8** | **95.8** | **9.0** |
| Catastrophes | | | | | | | | | | |
| Current year | 12.2 | (0.1) | 4.3 | 23.9 | - | 12.2 | 23.9 | 15.1 | 9.4 | 5.7 |
| Prior year | - | (0.3) | (1.5) | (1.0) | (0.7) | 0.7 | (0.3) | 1.0 | (1.1) | 2.1 |
| Catastrophe ratio | 12.2 | (0.4) | 2.8 | 22.9 | (0.7) | 12.9 | 23.6 | 16.1 | 8.3 | 7.8 |
| **Combined ratio before catastrophes** | **94.5** | **90.9** | **84.3** | **89.7** | **88.6** | **5.9** | **1.1** | **88.7** | **87.5** | **1.2** |
| **Combined ratio before catastrophes and prior year development** | **95.5** | **92.4** | **88.8** | **91.3** | **93.3** | **2.2** | **(2.0)** | **91.8** | **91.1** | **0.7** |
| **PRODUCT** | | | | | | | | | | |
| Automobile | 99.4 | 99.0 | 88.4 | 98.8 | 93.9 | 5.5 | 4.9 | 94.1 | 93.7 | 0.4 |
| Homeowners | 124.1 | 72.5 | 83.8 | 144.1 | 74.5 | 49.6 | 69.6 | 130.1 | 100.6 | 29.5 |
| **Total** | **106.7** | **90.5** | **87.0** | **112.6** | **87.9** | **18.8** | **24.7** | **104.8** | **95.8** | **9.0** |

[1] Refer to footnote 1 on page 18 for a summary of reserve strengthenings (releases) that are included within prior accident years development.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## CONSUMER MARKETS
### WRITTEN AND EARNED PREMIUMS

| | THREE MONTHS ENDED | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| **BUSINESS UNIT** | | | | | | | | | | |
| **WRITTEN PREMIUMS [1]** | | | | | | | | | | |
| AARP Direct | $ 717 | $ 630 | $ 633 | $ 710 | $ 714 | - | 1% | $ 2,088 | $ 2,057 | (1%) |
| AARP Agency | 19 | 22 | 27 | 32 | 37 | 95% | 16% | 50 | 96 | 92% |
| Other Agency | 213 | 194 | 186 | 194 | 196 | (8%) | 1% | 639 | 576 | (10%) |
| Other | 15 | 12 | 15 | 14 | 13 | (13%) | (7%) | 40 | 42 | 5% |
| **Total** | **$ 964** | **$ 858** | **$ 861** | **$ 950** | **$ 960** | **-** | **1%** | **$ 2,817** | **$ 2,771** | **(2%)** |
| **EARNED PREMIUMS [1]** | | | | | | | | | | |
| AARP Direct | $ 687 | $ 685 | $ 676 | $ 671 | $ 679 | (1%) | 1% | $ 2,079 | $ 2,026 | (3%) |
| AARP Agency | 14 | 16 | 19 | 23 | 27 | 93% | 17% | 36 | 69 | 92% |
| Other Agency | 215 | 208 | 201 | 195 | 194 | (10%) | (1%) | 670 | 590 | (12%) |
| Other | 14 | 13 | 13 | 15 | 12 | (14%) | (20%) | 40 | 40 | - |
| **Total** | **$ 930** | **$ 922** | **$ 909** | **$ 904** | **$ 912** | **(2%)** | **1%** | **$ 2,825** | **$ 2,725** | **(4%)** |
| **PRODUCT LINE** | | | | | | | | | | |
| **WRITTEN PREMIUMS [1]** | | | | | | | | | | |
| Automobile | $ 657 | $ 599 | $ 620 | $ 649 | $ 650 | (1%) | - | $ 1,963 | $ 1,919 | (2%) |
| Homeowners | 307 | 259 | 241 | 301 | 310 | 1% | 3% | 854 | 852 | - |
| **Total** | **$ 964** | **$ 858** | **$ 861** | **$ 950** | **$ 960** | **-** | **1%** | **$ 2,817** | **$ 2,771** | **(2%)** |
| **EARNED PREMIUMS [1]** | | | | | | | | | | |
| Automobile | $ 649 | $ 641 | $ 632 | $ 630 | $ 632 | (3%) | - | $ 1,978 | $ 1,894 | (4%) |
| Homeowners | 281 | 281 | 277 | 274 | 280 | - | 2% | 847 | 831 | (2%) |
| **Total** | **$ 930** | **$ 922** | **$ 909** | **$ 904** | **$ 912** | **(2%)** | **1%** | **$ 2,825** | **$ 2,725** | **(4%)** |
| **STATISTICAL PREMIUM INFORMATION (YEAR OVER YEAR)** | | | | | | | | | | |
| **Renewal Written Price Increases [2]** | | | | | | | | | | |
| Automobile | 4 % | 3 % | 4 % | 4 % | 4 % | - | - | 5 % | 4 % | (1.0) |
| Homeowners | 8 % | 6 % | 6 % | 6 % | 6 % | (2.0) | - | 8 % | 6 % | (2.0) |
| **Policy Count Retention [3]** | | | | | | | | | | |
| Automobile | 83 % | 83 % | 84 % | 84 % | 85 % | 2.0 | 1.0 | 82 % | 85 % | 3.0 |
| Homeowners | 84 % | 84 % | 85 % | 86 % | 87 % | 3.0 | 1.0 | 83 % | 86 % | 3.0 |
| **New Business Premium $** | | | | | | | | | | |
| Automobile | $ 80 | $ 77 | $ 86 | $ 85 | $ 84 | 5% | (1%) | $ 221 | $ 255 | 15% |
| Homeowners | $ 26 | $ 23 | $ 25 | $ 30 | $ 32 | 23% | 7% | $ 68 | $ 87 | 28% |
| **Policies in force** | | | | | | | | | | |
| Automobile | 2,106,385 | 2,080,535 | 2,065,317 | 2,044,874 | 2,029,078 | (4%) | (1%) | | | |
| Homeowners | 1,358,162 | 1,338,676 | 1,330,117 | 1,323,557 | 1,321,149 | (3%) | - | | | |

[1] The difference between written premiums and earned premiums is attributable to the change in unearned premium reserve.

[2] Renewal written price increases represents the combined effect of rate changes and amount of insurance per unit of exposure since the prior year. It does not include other factors that affect average premium per unit of exposure such as changes in the mix of business by state, territory, class plan and tier of risk.

[3] Policy count retention represents the ratio of the number of policies renewed during the period divided by the number of policies from the previous policy term period.

# WEALTH MANAGEMENT

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## WEALTH MANAGEMENT
## OPERATING RESULTS

| | THREE MONTHS ENDED | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| **REVENUES** | | | | | | | | | | |
| Earned premiums | $ (24) | $ (27) | $ (26) | $ (27) | $ (26) | (8%) | 4% | $ (68) | $ (79) | (16%) |
| Fee income [1] | 514 | 493 | 500 | 489 | 472 | (8%) | (3%) | 1,530 | 1,461 | (5%) |
| Net investment income | 215 | 211 | 222 | 232 | 228 | 6% | (2%) | 638 | 682 | 7% |
| Net realized capital gains (losses) | 26 | 16 | 14 | 6 | (8) | NM | NM | 5 | 12 | 140% |
| **Total revenues** | **$ 731** | **$ 693** | **$ 710** | **$ 700** | **$ 666** | **(9%)** | **(5%)** | **$ 2,105** | **$ 2,076** | **(1%)** |
| Benefits and claims, losses and loss adjustment expenses [1] | 341 | 274 | 297 | 294 | 317 | (7%) | 8% | 850 | 908 | 7% |
| Amortization of deferred policy acquisition costs [1] | 149 | 46 | 48 | 47 | 39 | (74%) | (17%) | 256 | 134 | (48%) |
| Insurance operating costs and other expenses | 274 | 272 | 290 | 283 | 264 | (4%) | (7%) | 860 | 837 | (3%) |
| Restructuring and other costs | - | - | - | 12 | 29 | - | 142% | - | 41 | - |
| **Total benefits and expenses** | **$ 764** | **$ 592** | **$ 635** | **$ 636** | **$ 649** | **(15%)** | **2%** | **$ 1,966** | **$ 1,920** | **(2%)** |
| **Income (loss) before income taxes** | **(33)** | **101** | **75** | **64** | **17** | **NM** | **(73%)** | **139** | **156** | **12%** |
| Income tax expense (benefit) [1] | (25) | 29 | 18 | 12 | (5) | 80% | NM | (4) | 25 | NM |
| **Net income (loss)** | **$ (8)** | **$ 72** | **$ 57** | **$ 52** | **$ 22** | **NM** | **(58%)** | **$ 143** | **$ 131** | **(8%)** |
| Less: Net realized capital gains (losses), after-tax and DAC excluded from core earnings [1][2] | 8 | 16 | (1) | 4 | (10) | NM | NM | 6 | (7) | NM |
| **Core earnings (losses)** | **$ (16)** | **$ 56** | **$ 58** | **$ 48** | **$ 32** | **NM** | **(33%)** | **$ 137** | **$ 138** | **1%** |

[1] The DAC unlock recorded in the periods presented below affected each income statement line item as follows:

| | THREE MONTHS ENDED | | | | | NINE MONTHS ENDED SEPTEMBER 30, | |
|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | 2011 | 2012 |
| Fee Income | $ 18 | $ 13 | $ - | $ 3 | $ (13) | $ 19 | $ (10) |
| Benefits, losses and loss adjustment expense | 68 | (4) | 10 | (2) | 12 | 68 | 20 |
| Amortization of deferred policy acquisition costs | 80 | 16 | (9) | 9 | (2) | 85 | (2) |
| Income tax expense (benefit) | (45) | (1) | - | (1) | (9) | (46) | (10) |
| **Net income (loss)** | **$ (85)** | **$ 2** | **$ (1)** | **$ (3)** | **$ (14)** | **$ (88)** | **$ (18)** |
| Less: Net realized gains (losses) and other, net of tax and DAC, excluded from core earnings | (4) | 1 | (1) | (1) | (2) | (4) | (4) |
| **Core earnings (losses)** | **$ (81)** | **$ 1** | **$ -** | **$ (2)** | **$ (12)** | **$ (84)** | **$ (14)** |

[2] The nine months ended September 30, 2011 includes a benefit of $16 related to the release of a deferred tax valuation allowance.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## WEALTH MANAGEMENT
### FINANCIAL HIGHLIGHTS

| | THREE MONTHS ENDED | | | | | Year Over Over 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| **CORE EARNINGS BY SEGMENT** | | | | | | | | | | |
| Individual Life | 37 | 34 | 34 | 24 | 21 | (43%) | (13%) | 117 | 79 | (32%) |
| Retirement Plans | 4 | 1 | 4 | 8 | 5 | 25% | (38%) | 26 | 17 | (35%) |
| Mutual Funds | 24 | 20 | 20 | 18 | 18 | (25%) | - | 78 | 56 | (28%) |
| **Wealth Management core earnings, excluding DAC unlock** | **$ 65** | **$ 55** | **$ 58** | **$ 50** | **$ 44** | **(32%)** | **(12%)** | **$ 221** | **$ 152** | **(31%)** |
| DAC unlock impacts on net income (loss) | (85) | 2 | (1) | (3) | (14) | 84% | NM | (88) | (18) | 80% |
| Net realized gains (losses) and other, net of tax and DAC, excluded from core earnings | 12 | 15 | - | 5 | (8) | NM | NM | 10 | (3) | NM |
| **Wealth Management net income (loss)** | **$ (8)** | **$ 72** | **$ 57** | **$ 52** | **$ 22** | **NM** | **(58%)** | **$ 143** | **$ 131** | **(8%)** |
| **DAC UNLOCK IMPACT ON CORE EARNINGS (LOSSES) BY SEGMENT** | | | | | | | | | | |
| Individual Life | (57) | 2 | (8) | 1 | (6) | 89% | NM | (60) | (13) | 78% |
| Retirement Plans | (24) | (1) | 8 | (3) | (6) | 75% | (100%) | (24) | (1) | 96% |
| **DAC unlock impact on core earnings (losses)** | **$ (81)** | **$ 1** | **$ -** | **$ (2)** | **$ (12)** | **85%** | **NM** | **$ (84)** | **$ (14)** | **83%** |
| DAC unlock impact on net realized gains (losses) and other, net of tax and DAC, excluded from core earnings | (4) | 1 | (1) | (1) | (2) | 50% | (100%) | (4) | (4) | - |
| **DAC unlock impact on net income (loss)** | **$ (85)** | **$ 2** | **$ (1)** | **$ (3)** | **$ (14)** | **84%** | **NM** | **$ (88)** | **$ (18)** | **80%** |
| **ASSETS UNDER MANAGEMENT BY SEGMENT** | | | | | | | | | | |
| Individual Life | $ 11,808 | $ 12,300 | $ 12,928 | $ 12,758 | $ 13,057 | 11% | 2% | | | |
| Retirement Plans | 49,685 | 52,302 | 57,155 | 54,898 | 55,260 | 11% | 1% | | | |
| Non-proprietary Mutual Funds | 47,307 | 48,768 | 53,244 | 49,944 | 51,800 | 9% | 4% | | | |
| **Total assets under management** | **$ 108,800** | **$ 113,370** | **$ 123,327** | **$ 117,600** | **$ 120,117** | **10%** | **2%** | | | |
| **DEPOSITS BY SEGMENT** | | | | | | | | | | |
| Individual Life | $ 512 | $ 545 | $ 481 | $ 429 | $ 425 | (17%) | (1%) | $ 1,375 | $ 1,335 | (3%) |
| Retirement Plans | 2,470 | 2,034 | 2,606 | 2,447 | 1,920 | (22%) | (22%) | 7,402 | 6,973 | (6%) |
| Non-proprietary Mutual Funds | 4,338 | 2,318 | 2,744 | 2,548 | 2,559 | (41%) | - | 13,031 | 7,851 | (40%) |
| **Total deposits** | **$ 7,320** | **$ 4,897** | **$ 5,831** | **$ 5,424** | **$ 4,904** | **(33%)** | **(10%)** | **$ 21,808** | **$ 16,159** | **(26%)** |

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## WEALTH MANAGEMENT
### DEFERRED POLICY ACQUISITION COSTS AND PRESENT VALUE OF FUTURE PROFITS ("DAC") [1]

| | Individual Life | Retirement Plans | Mutual Funds | Wealth Management |
|---|---|---|---|---|
| **Balance, December 31, 2011** | **$ 2,002** | **$ 304** | **$ 27** | **$ 2,333** |
| Adjustments to unrealized gains and losses on securities available-for-sale and other | 236 | 44 | - | 280 |
| Balance, excluding adjustments to unrealized gains and losses on securities available-for-sale and other | 2,238 | 348 | 27 | 2,613 |
| Deferred costs | 172 | 37 | 22 | 231 |
| Amortization — DAC | (87) | (23) | (26) | (136) |
| Amortization — Core unlock benefit (charge), pre-tax | 11 | (2) | - | 9 |
| Amortization — Non-core unlock benefit (charge), pre-tax | (1) | (6) | - | (7) |
| **Balance, September 30, 2012** | **$ 2,333** | **$ 354** | **$ 23** | **$ 2,710** |
| Adjustments to unrealized gains and losses on securities available-for-sale and other | (357) | (136) | - | (493) |
| **Balance, September 30, 2012 including adjustments to unrealized gains and losses on securities available-for-sale and other** | **$ 1,976** | **$ 218** | **$ 23** | **$ 2,217** |

**DAC UNLOCK ATTRIBUTION BY SEGMENT**
**Three months ended September 30, 2012**

| | Individual Life | Retirement Plans | Wealth Management |
|---|---|---|---|
| Assumption | $ (4) | $ (4) | **$ (8)** |
| Market | (2) | (2) | **(4)** |
| **DAC unlock impacts on core earnings** | **(6)** | **(6)** | **(12)** |
| Assumption | 1 | (3) | **(2)** |
| Market | - | - | **-** |
| **DAC unlock impacts on net unrealized gains (losses), net of tax and DAC, excluded from core earnings** | **1** | **(3)** | **(2)** |
| Assumption | (3) | (7) | (10) |
| Market | (2) | (2) | (4) |
| **DAC unlock impacts on net income** | **$ (5)** | **$ (9)** | **$ (14)** |

[1] The first table is comprised of a balance sheet roll forward of the DAC asset. The second table contains the income statement impact of the total unlock, inclusive of DAC, sales inducement amortization, unearned revenue reserves and other components for the three months ended September 30, 2012.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## WEALTH MANAGEMENT
### INDIVIDUAL LIFE
### INCOME STATEMENTS

| | THREE MONTHS ENDED | | | | | Year Over Year | Sequential | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | 3 Month Change | 3 Month Change | 2011 | 2012 | Change |
| Earned premiums | $ (25) | $ (28) | $ (28) | $ (28) | $ (28) | (12%) | - | $ (74) | $ (84) | (14%) |
| Fee income [1] | 269 | 262 | 255 | 248 | 235 | (13%) | (5%) | 739 | 738 | - |
| Net investment income | 115 | 115 | 122 | 126 | 124 | 8% | (2%) | 341 | 372 | 9% |
| Net realized capital gains (losses) | 28 | 26 | (1) | 20 | (6) | NM | NM | 4 | 13 | NM |
| **Total revenues** | **$ 387** | **$ 375** | **$ 348** | **$ 366** | **$ 325** | **(16%)** | **(11%)** | **$ 1,010** | **$ 1,039** | **3%** |
| Benefits, losses and loss adjustment expenses [1] | 260 | 194 | 216 | 211 | 230 | (12%) | 9% | 622 | 657 | 6% |
| Amortization of deferred policy acquisition costs [1] | 87 | 25 | 39 | 28 | 10 | (89%) | (64%) | 146 | 77 | (47%) |
| Insurance operating costs and other expenses | 63 | 70 | 70 | 71 | 56 | (11%) | (21%) | 191 | 197 | 3% |
| Restructuring and other costs | - | - | - | 7 | 18 | - | 157% | - | 25 | - |
| **Total benefits and expenses** | **$ 410** | **$ 289** | **$ 325** | **$ 317** | **$ 314** | **(23%)** | **(1%)** | **$ 959** | **$ 956** | **-** |
| **Income (loss) before income taxes** | **(23)** | **86** | **23** | **49** | **11** | **NM** | **(78%)** | **51** | **83** | **63%** |
| Income tax expense (benefit) [1] [2] | (14) | 27 | 4 | 13 | - | NM | (100%) | (4) | 17 | NM |
| **Net income (loss)** | **$ (9)** | **$ 59** | **$ 19** | **$ 36** | **$ 11** | **NM** | **(69%)** | **$ 55** | **$ 66** | **20%** |
| Less: Net realized capital gains (losses), net of tax and DAC, excluded from core earnings (loss) [1] | 11 | 23 | (7) | 11 | (4) | NM | NM | (2) | - | 100% |
| **Core earnings (losses)** | **$ (20)** | **$ 36** | **$ 26** | **$ 25** | **$ 15** | **NM** | **(40%)** | **$ 57** | **$ 66** | **16%** |
| **EARNINGS MARGIN (After-tax)** | | | | | | | | | | |
| Net income (loss) | (2.3%) | 15.7% | 5.5% | 9.8% | 3.4% | 5.7 | (6.4) | 5.4% | 6.4% | 1.0 |
| Core earnings (losses), excluding impact of DAC unlock | 11.0% | 10.0% | 9.8% | 7.1% | 6.1% | (4.9) | (1.0) | 11.9% | 7.7% | (4.2) |

[1] The DAC unlock recorded in the periods presented below affected each income statement line item as follows:

| | THREE MONTHS ENDED | | | | | NINE MONTHS ENDED SEPTEMBER 30, | |
|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | 2011 | 2012 |
| Fee Income | $ 18 | $ 13 | $ - | $ 3 | $ (13) | $ 19 | $ (10) |
| Benefits, losses and loss adjustment expense | 66 | (4) | 10 | (2) | 13 | 66 | 21 |
| Amortization of deferred policy acquisition costs | 40 | 14 | 1 | 5 | (16) | 44 | (10) |
| Income tax expense (benefit) | (30) | - | (3) | - | (5) | (31) | (8) |
| **Net income (loss)** | **$ (58)** | **$ 3** | **$ (8)** | **$ -** | **$ (5)** | **$ (60)** | **$ (13)** |
| Less: Net realized gains (losses) and other, net of tax and DAC, excluded from core earnings | (1) | 1 | - | (1) | 1 | - | - |
| **Core earnings (losses)** | **$ (57)** | **$ 2** | **$ (8)** | **$ 1** | **$ (6)** | **$ (60)** | **$ (13)** |

[2] The three months ended June 30, 2011 include a tax benefit of $3 related to the resolution of a tax matter with the IRS for the computation of dividends received deductions for years 1998, 2000 and 2001.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
# WEALTH MANAGEMENT
# INDIVIDUAL LIFE
# SUPPLEMENTAL DATA

| | THREE MONTHS ENDED | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| **SALES BY DISTRIBUTION** | | | | | | | | | | |
| National Accounts | $ 29 | $ 39 | $ 26 | $ 22 | $ 16 | (45%) | (27%) | $ 79 | $ 64 | (19%) |
| Independent | 31 | 36 | 32 | 28 | 26 | (16%) | (7%) | 84 | 86 | 2% |
| Other | 2 | 2 | 3 | 1 | 4 | 100% | NM | 9 | 8 | (11%) |
| **Total sales by distribution** | **$ 62** | **$ 77** | **$ 61** | **$ 51** | **$ 46** | **(26%)** | **(10%)** | **$ 172** | **$ 158** | **(8%)** |
| **SALES BY PRODUCT** | | | | | | | | | | |
| Variable life | $ 6 | $ 6 | $ 5 | $ 4 | $ 3 | (50%) | (25%) | $ 21 | $ 12 | (43%) |
| Universal life | 52 | 67 | 52 | 43 | 40 | (23%) | (7%) | 138 | 135 | (2%) |
| Term/other life | 4 | 4 | 4 | 4 | 3 | (25%) | (25%) | 13 | 11 | (15%) |
| **Total sales by product** | **$ 62** | **$ 77** | **$ 61** | **$ 51** | **$ 46** | **(26%)** | **(10%)** | **$ 172** | **$ 158** | **(8%)** |
| **PREMIUMS & DEPOSITS** | | | | | | | | | | |
| Variable life | $ 134 | $ 126 | $ 118 | $ 111 | $ 108 | (19%) | (3%) | $ 391 | $ 337 | (14%) |
| Universal life/other life | 378 | 419 | 363 | 318 | 317 | (16%) | - | 984 | 998 | 1% |
| Term/other | 43 | 42 | 41 | 41 | 40 | (7%) | (2%) | 119 | 122 | 3% |
| **Total Premiums & Deposits** | **$ 555** | **$ 587** | **$ 522** | **$ 470** | **$ 465** | **(16%)** | **(1%)** | **$ 1,494** | **$ 1,457** | **(2%)** |
| **ACCOUNT VALUE** | | | | | | | | | | |
| General account | $ 7,126 | $ 7,337 | $ 7,501 | $ 7,629 | $ 7,752 | 9% | 2% | | | |
| Separate account | 4,682 | 4,963 | 5,427 | 5,129 | 5,305 | 13% | 3% | | | |
| **Total account value** | **$ 11,808** | **$ 12,300** | **$ 12,928** | **$ 12,758** | **$ 13,057** | **11%** | **2%** | | | |
| **ACCOUNT VALUE BY PRODUCT** | | | | | | | | | | |
| Variable life | $ 5,259 | $ 5,535 | $ 5,996 | $ 5,699 | $ 5,873 | 12% | 3% | | | |
| Universal life/other life | 6,549 | 6,765 | 6,932 | 7,059 | 7,184 | 10% | 2% | | | |
| **Total account value by product** | **$ 11,808** | **$ 12,300** | **$ 12,928** | **$ 12,758** | **$ 13,057** | **11%** | **2%** | | | |
| **LIFE INSURANCE IN-FORCE** | | | | | | | | | | |
| Variable life | $ 70,926 | $ 69,716 | $ 68,642 | $ 67,514 | $ 66,310 | (7%) | (2%) | | | |
| Universal life | 62,052 | 64,006 | 65,400 | 66,625 | 67,525 | 9% | 1% | | | |
| Term | 80,249 | 81,494 | 82,659 | 83,291 | 83,185 | 4% | - | | | |
| **Total life insurance in-force** | **$ 213,227** | **$ 215,216** | **$ 216,701** | **$ 217,430** | **$ 217,020** | **2%** | **-** | | | |

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## WEALTH MANAGEMENT
### INDIVIDUAL LIFE
### SUPPLEMENTAL DATA - ACCOUNT VALUE ROLL FORWARD

| | THREE MONTHS ENDED | | | | |
|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 |
| **VARIABLE LIFE** | | | | | |
| **Beginning balance** | **$ 5,993** | **$ 5,259** | **$ 5,535** | **$ 5,996** | **$ 5,699** |
| First year & single premiums | 15 | 12 | 9 | 7 | 4 |
| Renewal premiums | 119 | 114 | 109 | 104 | 104 |
| Premiums and deposits | 134 | 126 | 118 | 111 | 108 |
| Surrenders | (91) | (100) | (108) | (87) | (87) |
| Death benefits/annuitizations/other [1] | (20) | (15) | (16) | (21) | (20) |
| Net flows | 23 | 11 | (6) | 3 | 1 |
| Policy Fees | (120) | (109) | (108) | (106) | (102) |
| Change in market value/interest credited | (637) | 374 | 575 | (194) | 275 |
| **Ending balance** | **$ 5,259** | **$ 5,535** | **$ 5,996** | **$ 5,699** | **$ 5,873** |
| **UNIVERSAL LIFE [1]** | | | | | |
| **Beginning balance** | **$ 6,373** | **$ 6,549** | **$ 6,765** | **$ 6,932** | **$ 7,059** |
| First year & single premiums | 210 | 251 | 198 | 152 | 147 |
| Renewal premiums | 168 | 168 | 165 | 166 | 170 |
| Premiums and deposits | 378 | 419 | 363 | 318 | 317 |
| Surrenders | (44) | (44) | (39) | (41) | (34) |
| Death benefits/annuitizations/other [1] | (29) | (26) | (32) | (25) | (34) |
| Net flows | 305 | 349 | 292 | 252 | 249 |
| Policy Fees | (193) | (194) | (188) | (188) | (189) |
| Change in market value/interest credited | 64 | 61 | 63 | 63 | 65 |
| **Ending balance** | **$ 6,549** | **$ 6,765** | **$ 6,932** | **$ 7,059** | **$ 7,184** |
| **INDIVIDUAL LIFE** | | | | | |
| **Beginning balance** | **$ 12,366** | **$ 11,808** | **$ 12,300** | **$ 12,928** | **$ 12,758** |
| First year & single premiums | 225 | 263 | 207 | 159 | 151 |
| Renewal premiums | 287 | 282 | 274 | 270 | 274 |
| Premiums and deposits | 512 | 545 | 481 | 429 | 425 |
| Surrenders | (135) | (144) | (147) | (128) | (121) |
| Death benefits/annuitizations/other [1] | (49) | (41) | (48) | (46) | (54) |
| Net flows | 328 | 360 | 286 | 255 | 250 |
| Policy Fees | (313) | (303) | (296) | (294) | (291) |
| Change in market value/interest credited | (573) | 435 | 638 | (131) | 340 |
| **Ending balance** | **$ 11,808** | **$ 12,300** | **$ 12,928** | **$ 12,758** | **$ 13,057** |

[1] Includes Universal Life, Interest Sensitive Whole Life, Modified Guaranteed Life Insurance and Other.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.

## WEALTH MANAGEMENT

### RETIREMENT PLANS

### INCOME STATEMENTS

| | THREE MONTHS ENDED | | | | | Year Over Year | Sequential | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | 3 Month Change | 3 Month Change | 2011 | 2012 | Change |
| Fee income | $ 92 | $ 88 | $ 94 | $ 93 | $ 89 | (3%) | (4%) | $ 285 | $ 276 | (3%) |
| Earned premiums | 1 | 1 | 2 | 1 | 2 | 100% | 100% | 6 | 5 | (17%) |
| Net investment income | 100 | 97 | 101 | 106 | 105 | 5% | (1%) | 299 | 312 | 4% |
| Net realized capital gains (losses) | (2) | (10) | 14 | (12) | (3) | (50%) | 75% | - | (1) | - |
| **Total revenues** | **$ 191** | **$ 176** | **$ 211** | **$ 188** | **$ 193** | **1%** | **3%** | **$ 590** | **$ 592** | **-** |
| Benefits, losses and loss adjustment expenses [1] | 81 | 80 | 81 | 83 | 87 | 7% | 5% | 228 | 251 | 10% |
| Amortization of deferred policy acquisition costs [1] | 50 | 10 | - | 10 | 21 | (58%) | 110% | 74 | 31 | (58%) |
| Insurance operating costs and other expenses | 106 | 102 | 109 | 104 | 96 | (9%) | (8%) | 321 | 309 | (4%) |
| Restructuring and other costs | - | - | - | 4 | 10 | - | 150% | - | 14 | - |
| **Total benefits and expenses** | **$ 237** | **$ 192** | **$ 190** | **$ 201** | **$ 214** | **(10%)** | **6%** | **$ 623** | **$ 605** | **(3%)** |
| **Income (loss) before income taxes** | **(46)** | **(16)** | **21** | **(13)** | **(21)** | **54%** | **(62%)** | **(33)** | **(13)** | **61%** |
| Income tax expense (benefit) [1] | (23) | (10) | 3 | (11) | (14) | 39% | (27%) | (42) | (22) | 48% |
| **Net income (loss)** | **$ (23)** | **$ (6)** | **$ 18** | **$ (2)** | **$ (7)** | **70%** | **NM** | **$ 9** | **$ 9** | **-** |
| Less: Net realized capital gains (losses), after-tax, excluded from core earnings (loss) [1] | (3) | (6) | 6 | (7) | (6) | (100%) | 14% | 7 | (7) | NM |
| **Core earnings (losses)** | **$ (20)** | **$ -** | **$ 12** | **$ 5** | **$ (1)** | **95%** | **NM** | **$ 2** | **$ 16** | **NM** |
| **RETURN ON ASSETS (After-tax bps)** | | | | | | | | | | |
| Net income (loss) | (17.5) | (4.7) | 13.2 | (1.4) | (5.1) | 12.4 | (3.7) | 2.3 | 2.2 | (5%) |
| Core earnings (losses), excluding impact of DAC unlock | 3.0 | 0.8 | 3.0 | 5.7 | 3.6 | 0.6 | (2.1) | 6.8 | 4.2 | (38%) |

[1] The DAC unlock recorded in the periods presented below affected each income statement line item as follows:

| | THREE MONTHS ENDED | | | | | NINE MONTHS ENDED SEPTEMBER 30, | |
|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | 2011 | 2012 |
| Benefits, losses and loss adjustment expenses | $ 2 | $ - | $ - | $ - | $ (1) | $ 2 | $ (1) |
| Amortization of deferred policy acquisition costs | 40 | 2 | (10) | 4 | 14 | 41 | 8 |
| Income tax expense (benefit) | (15) | (1) | 3 | (1) | (4) | (15) | (2) |
| **Net income (loss)** | **$ (27)** | **$ (1)** | **$ 7** | **$ (3)** | **$ (9)** | **$ (28)** | **$ (5)** |
| Less: Net realized gains (losses), net of tax and DAC, excluded from core earnings | (3) | - | (1) | - | (3) | (4) | (4) |
| **Core earnings (losses)** | **$ (24)** | **$ (1)** | **$ 8** | **$ (3)** | **$ (6)** | **$ (24)** | **$ (1)** |

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.

## WEALTH MANAGEMENT

### RETIREMENT PLANS

### SUPPLEMENTAL DATA - ASSETS UNDER MANAGEMENT

| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | Year 3 Month Change | Sequential 3 Month Change |
|---|---|---|---|---|---|---|---|
| **RETIREMENT PLANS** | | | | | | | |
| General account | $ 8,042 | $ 8,374 | $ 8,644 | $ 8,913 | $ 9,043 | 12% | 1% |
| Non-guaranteed separate account | 23,799 | 25,525 | 28,459 | 27,680 | 27,949 | 17% | 1% |
| **Total Retirement Plans account value** | **$ 31,841** | **$ 33,899** | **$ 37,103** | **$ 36,593** | **$ 36,992** | **16%** | **1%** |
| 401(k) mutual funds | 17,488 | 18,038 | 19,630 | 17,881 | 17,805 | 2% | - |
| 403(b)/457 mutual funds | 356 | 365 | 422 | 424 | 463 | 30% | 9% |
| **Total Retirement Plans assets under management** | **$ 49,685** | **$ 52,302** | **$ 57,155** | **$ 54,898** | **$ 55,260** | **11%** | **1%** |

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## WEALTH MANAGEMENT
### RETIREMENT PLANS
### SUPPLEMENTAL DATA - ACCOUNT VALUE AND ASSET ROLL FORWARD

| | | THREE MONTHS ENDED | | | | |
|---|---|---|---|---|---|---|
| | | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 |
| **401(k) GROUP ANNUITY** | | | | | | |
| **ACCOUNT VALUE** | **Beginning balance** | **$ 21,963** | **$ 19,769** | **$ 21,124** | **$ 23,378** | **$ 23,085** |
| Deposits | | 1,425 | 1,239 | 1,625 | 1,464 | 1,132 |
| Surrenders | | (911) | (1,150) | (1,099) | (1,083) | (1,978) |
| Death benefits/annuitizations/other | | (19) | (17) | (18) | (18) | (17) |
| Transfers [1] | | 11 | 47 | 4 | 19 | 46 |
| Net flows | | 506 | 119 | 512 | 382 | (817) |
| Change in market value/change in reserve/interest credited | | (2,700) | 1,236 | 1,742 | (675) | 970 |
| **Ending balance** | | **$ 19,769** | **$ 21,124** | **$ 23,378** | **$ 23,085** | **$ 23,238** |
| **403(b)/457 GROUP ANNUITY** | | | | | | |
| **ACCOUNT VALUE** | **Beginning balance** | **$ 13,118** | **$ 12,072** | **$ 12,775** | **$ 13,725** | **$ 13,508** |
| Deposits | | 330 | 336 | 364 | 321 | 295 |
| Surrenders | | (259) | (216) | (246) | (271) | (463) |
| Death benefits/annuitizations/other | | (12) | (11) | (11) | (11) | (12) |
| Transfers [1] | | 3 | 2 | (3) | (1) | 1 |
| Net flows | | 62 | 111 | 104 | 38 | (179) |
| Change in market value/change in reserve/interest credited | | (1,108) | 592 | 846 | (255) | 425 |
| **Ending balance** | | **$ 12,072** | **$ 12,775** | **$ 13,725** | **$ 13,508** | **$ 13,754** |
| **401(k) /403(b)/457 MUTUAL FUNDS ASSETS** | | | | | | |
| **ACCOUNT VALUE** | **Beginning balance** | **$ 20,474** | **$ 17,844** | **$ 18,403** | **$ 20,052** | **$ 18,305** |
| Deposits | | 715 | 459 | 617 | 662 | 493 |
| Surrenders | | (511) | (1,127) | (806) | (1,688) | (1,336) |
| Death benefits/annuitizations/other [1] | | 2 | 1 | (1) | - | - |
| Transfers | | (14) | (49) | (1) | (19) | (26) |
| Net flows | | 192 | (716) | (191) | (1,045) | (869) |
| Change in market value/change in reserve/interest credited | | (2,822) | 1,275 | 1,840 | (702) | 832 |
| **Ending balance** | | **$ 17,844** | **$ 18,403** | **$ 20,052** | **$ 18,305** | **$ 18,268** |
| **TOTAL RETIREMENT** | | | | | | |
| **ACCOUNT VALUE** | **Beginning balance** | **$ 55,555** | **$ 49,685** | **$ 52,302** | **$ 57,155** | **$ 54,898** |
| Deposits | | 2,470 | 2,034 | 2,606 | 2,447 | 1,920 |
| Surrenders | | (1,681) | (2,493) | (2,151) | (3,042) | (3,777) |
| Death benefits/annuitizations/other [1] | | (29) | (27) | (30) | (29) | (29) |
| Transfers | | - | - | - | (1) | 21 |
| Net flows | | 760 | (486) | 425 | (625) | (1,865) |
| Change in market value/change in reserve/interest credited | | (6,630) | 3,103 | 4,428 | (1,632) | 2,227 |
| | **Ending balance** | **$ 49,685** | **$ 52,302** | **$ 57,155** | **$ 54,898** | **$ 55,260** |

[1] Includes internal product exchanges, policyholder balance transfers from the accumulation phase to the annuitization phase, and death benefit remaining on deposit.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## WEALTH MANAGEMENT
### MUTUAL FUNDS
### INCOME STATEMENTS

| | THREE MONTHS ENDED | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| Fee income | $ 153 | $ 143 | $ 151 | $ 148 | $ 148 | (3%) | - | $ 506 | $ 447 | (12%) |
| Net investment income | - | (1) | (1) | - | (1) | - | - | (2) | (2) | - |
| Net realized capital gains (losses) | - | - | 1 | (2) | 1 | - | NM | 1 | - | (100%) |
| **Total revenues** | **$ 153** | **$ 142** | **$ 151** | **$ 146** | **$ 148** | **(3%)** | **1%** | **$ 505** | **$ 445** | **(12%)** |
| Amortization of deferred policy acquisition costs | 12 | 11 | 9 | 9 | 8 | (33%) | (11%) | 36 | 26 | (28%) |
| Insurance operating costs and other expenses | 105 | 100 | 111 | 108 | 112 | 7% | 4% | 348 | 331 | (5%) |
| Restructuring and other costs | - | - | - | 1 | 1 | - | - | - | 2 | - |
| **Total benefits and expenses** | **$ 117** | **$ 111** | **$ 120** | **$ 118** | **$ 121** | **3%** | **3%** | **$ 384** | **$ 359** | **(7%)** |
| **Income before income taxes** | **36** | **31** | **31** | **28** | **27** | **(25%)** | **(4%)** | **121** | **86** | **(29%)** |
| Income tax expense | 12 | 12 | 11 | 10 | 9 | (25%) | (10%) | 42 | 30 | (29%) |
| **Net income** | **$ 24** | **$ 19** | **$ 20** | **$ 18** | **$ 18** | **(25%)** | **-** | **$ 79** | **$ 56** | **(29%)** |
| Less: Net realized capital gains (losses), after-tax, excluded from core earnings | - | (1) | - | - | - | - | - | 1 | - | (100%) |
| **Core earnings** | **$ 24** | **$ 20** | **$ 20** | **$ 18** | **$ 18** | **(25%)** | **-** | **$ 78** | **$ 56** | **(28%)** |
| **RETURN ON ASSETS (After-tax bps)** | | | | | | | | | | |
| Net income | 10.5 | 9.0 | 9.0 | 8.1 | 8.3 | (2.2) | 0.2 | 11.5 | 8.6 | (3.0) |
| Core earnings | 10.5 | 9.5 | 9.0 | 8.1 | 8.3 | (2.2) | 0.2 | 11.3 | 8.6 | (2.8) |

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## WEALTH MANAGEMENT
### MUTUAL FUNDS
### SUPPLEMENTAL DATA

| | THREE MONTHS ENDED | | | | | Year Over Year | Sequential | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | 3 Month Change | 3 Month Change | 2011 | 2012 | Change |
| **NON-PROPRIETARY MUTUAL FUNDS DEPOSITS** | | | | | | | | | | |
| Retail mutual funds | $ 2,051 | $ 1,760 | $ 2,140 | $ 1,975 | $ 2,086 | 2% | 6% | $ 9,116 | $ 6,201 | (32%) |
| Investment only mutual funds [1] | 2,228 | 493 | 534 | 517 | 423 | (81%) | (18%) | 3,711 | 1,474 | (60%) |
| 529 college savings plan | 59 | 65 | 70 | 56 | 50 | (15%) | (11%) | 204 | 176 | (14%) |
| **Total Deposits** | **$ 4,338** | **$ 2,318** | **$ 2,744** | **$ 2,548** | **$ 2,559** | **(41%)** | **-** | **$ 13,031** | **$ 7,851** | **(40%)** |
| **ASSETS UNDER MANAGEMENT** | | | | | | | | | | |
| Retail mutual fund assets | $ 39,258 | $ 40,228 | $ 43,575 | $ 40,942 | $ 42,475 | 8% | 4% | | | |
| Investment only mutual fund assets | 6,625 | 6,983 | 7,929 | 7,279 | 7,533 | 14% | 3% | | | |
| Proprietary mutual fund assets [2] | 35,494 | 36,770 | 39,161 | 36,287 | 36,321 | 2% | - | | | |
| 529 college savings plan assets | 1,424 | 1,557 | 1,740 | 1,723 | 1,792 | 26% | 4% | | | |
| **Total Mutual Fund Assets** | **$ 82,801** | **$ 85,538** | **$ 92,405** | **$ 86,231** | **$ 88,121** | **6%** | **2%** | | | |

[1] Investment only mutual funds refers to mutual funds offered as defined contribution investments within employee directed retirement plans.

[2] Included Company sponsored mutual fund assets that are held in separate accounts supporting variable and investment products

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## WEALTH MANAGEMENT
### MUTUAL FUNDS
### SUPPLEMENTAL DATA - ASSET VALUE ROLL FORWARD

| | THREE MONTHS ENDED | | | | |
|---|---|---|---|---|---|
| | **Sept. 30, 2011** | **Dec. 31, 2011** | **Mar. 31, 2012** | **Jun. 30, 2012** | **Sept. 30, 2012** |
| **NON-PROPRIETARY MUTUAL FUNDS** | | | | | |
| **Beginning balance** | **$ 58,150** | **$ 47,307** | **$ 48,768** | **$ 53,244** | **$ 49,944** |
| Deposits | 4,338 | 2,318 | 2,744 | 2,548 | 2,559 |
| Redemptions | (6,734) | (4,112) | (3,781) | (3,755) | (2,967) |
| Net flows | (2,396) | (1,794) | (1,037) | (1,207) | (408) |
| Change in market value | (8,430) | 3,271 | 5,533 | (2,032) | 2,282 |
| Other [1] | (17) | (16) | (20) | (61) | (18) |
| **Beginning balance** | **$ 47,307** | **$ 48,768** | **$ 53,244** | **$ 49,944** | **$ 51,800** |
| **PROPRIETARY MUTUAL FUNDS [2]** | | | | | |
| **Beginning balance** | **$ 42,204** | **$ 35,494** | **$ 36,770** | **$ 39,161** | **$ 36,287** |
| Net flows | (1,244) | (1,442) | (1,372) | (1,577) | (1,635) |
| Change in market value | (5,466) | 2,718 | 3,763 | (1,297) | 1,669 |
| **Ending balance** | **$ 35,494** | **$ 36,770** | **$ 39,161** | **$ 36,287** | **$ 36,321** |

[1] Includes front end loads on A share products.

[2] Includes Company-sponsored mutual fund assets that are held in separate accounts supporting variable insurance and investment products.

# RUNOFF OPERATIONS

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## RUNOFF OPERATIONS
## FINANCIAL HIGHLIGHTS

| | THREE MONTHS ENDED | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| **NET INCOME(LOSS)** | | | | | | | | | | |
| U.S. Annuity | $ (224) | $ 18 | $ 198 | $ (19) | $ 188 | NM | NM | $ 6 | $ 367 | NM |
| International Annuity | 376 | (44) | (465) | 402 | (79) | NM | NM | 382 | (142) | NM |
| Institutional Annuity | (53) | 1 | 52 | 13 | 27 | NM | 108% | 23 | 92 | NM |
| Private Placement Life Insurance ("PPLI") | 6 | 9 | 8 | 10 | 9 | 50% | (10%) | 28 | 27 | (4%) |
| **Life Other Operations net income (loss) [1]** | **105** | **(16)** | **(207)** | **406** | **145** | **38%** | **(64%)** | **439** | **344** | **(22%)** |
| Net realized gains (losses) and other, net of tax and DAC, excluded from core earnings — Hedging and Assumption changes | 478 | (201) | (758) | 452 | 77 | (84%) | (83%) | 326 | (229) | NM |
| Net realized gains (losses) and other, net of tax and DAC, excluded from core earnings — all other | (158) | 20 | 155 | (65) | (14) | 91% | 78% | (109) | 76 | NM |
| DAC unlock impact on Net realized gains (losses) and other, net of tax and DAC, excluded from core earnings | (258) | (41) | 23 | (18) | (54) | 79% | NM | (306) | (49) | 84% |
| **Life Other Operations core earnings** | **$ 43** | **$ 206** | **$ 373** | **$ 37** | **$ 136** | **NM** | **NM** | **$ 528** | **$ 546** | **3%** |
| **Property & Casualty Other Operations net income (loss) [2] [3]** | 8 | 18 | 27 | (15) | 24 | NM | NM | (135) | 36 | NM |
| Net realized gains (losses) and other, net of tax and DAC, excluded from core earnings | (1) | 2 | 7 | (1) | 3 | NM | NM | - | 9 | - |
| **Property & Casualty Other Operations core earnings (losses)** | **$ 9** | **$ 16** | **$ 20** | **$ (14)** | **$ 21** | **133%** | **NM** | **$ (135)** | **$ 27** | **NM** |
| **Runoff Operations net income (loss)** | **113** | **2** | **(180)** | **391** | **169** | **50%** | **(57%)** | **304** | **380** | **25%** |
| Net realized gains (losses) and other, net of tax and DAC, excluded from core earnings — Hedging and Assumption changes | 478 | (201) | (758) | 452 | 77 | (84%) | (83%) | 326 | (229) | NM |
| Net realized gains (losses) and other, net of tax and DAC, excluded from core earnings — all other | (159) | 22 | 162 | (66) | (11) | 93% | 83% | (109) | 85 | NM |
| DAC unlock impact on Net realized gains (losses) and other, net of tax and DAC, excluded from core earnings | (258) | (41) | 23 | (18) | (54) | 79% | NM | (306) | (49) | 84% |
| **Runoff Operations core earnings (losses)** | **$ 52** | **$ 222** | **$ 393** | **$ 23** | **$ 157** | **NM** | **NM** | **$ 393** | **$ 573** | **46%** |
| **DAC unlock impact on net income (loss) by segment** | | | | | | | | | | |
| U.S. Annuity | $ (170) | $ 29 | $ 90 | $ (43) | $ (74) | 56% | (72%) | $ (179) | $ (27) | 85% |
| International Annuity | (212) | (25) | 125 | (100) | 3 | NM | NM | (209) | 28 | NM |
| Institutional Annuity | (2) | (1) | - | - | 6 | NM | - | (2) | 6 | NM |
| **Life Other Operations** | **$ (384)** | **$ 3** | **$ 215** | **$ (143)** | **$ (65)** | **83%** | **55%** | **$ (390)** | **$ 7** | **NM** |
| **DAC unlock impact on core earnings (losses) by segment** | | | | | | | | | | |
| U.S. Annuity | $ (163) | $ 69 | $ 88 | $ (39) | $ (14) | 91% | 64% | $ (124) | $ 35 | NM |
| International Annuity | 41 | (26) | 104 | (86) | (3) | NM | 97% | 44 | 15 | (66%) |
| Institutional Annuity | (4) | 1 | - | - | 6 | NM | - | (4) | 6 | NM |
| **Life Other Operations** | **$ (126)** | **$ 44** | **$ 192** | **$ (125)** | **$ (11)** | **91%** | **91%** | **$ (84)** | **$ 56** | **NM** |

[1] The nine months ended September 30, 2011 include a tax benefit of $45 related to the resolution of a tax matter with the IRS for the computation of dividends received deductions for years 1998, 2000, and 2001. Additionally, the nine months ended September 30, 2011 includes a benefit of $18, after tax, related to the release of reserves associated with the 3 Win product.

[2] The nine months ended September 30, 2011 included net asbestos reserve strengthening of $290, before-tax. The three months ended September 30, 2011 included net environmental reserve strengthening of $19, before-tax. The three months ended June 30, 2012 included net asbestos and environmental reserve strengthening of $48 and $3, before-tax, respectively.

[3] Additionally, includes prior accident years development reserve strengthenings (releases) for the three months ended September 30, 2011, December 31, 2011, March 31, 2012, June 30, 2012 and September 30, 2012 of $2, $6, $6, $2 and $1 before-tax, respectively.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## RUNOFF OPERATIONS
## LIFE OTHER OPERATIONS
### SUPPLEMENTAL DATA

| | THREE MONTHS ENDED | | | | | Year Over | | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | Year 3 Month Change | Sequential 3 Month Change | 2011 | 2012 | Change |
| **Core earnings (losses), excluding impact of DAC unlock** | | | | | | | | | | |
| U.S. Annuity | $ 90 | $ 92 | $ 96 | $ 78 | $ 72 | (20%) | (8%) | $ 352 | $ 246 | (30%) |
| International Annuity | 73 | 70 | 74 | 68 | 75 | 3% | 10% | 216 | 217 | - |
| Institutional Annuity | (5) | (10) | 4 | 5 | (8) | (60%) | NM | 13 | 1 | (92%) |
| Private Placement Life Insurance | 11 | 10 | 7 | 11 | 8 | (27%) | (27%) | 31 | 26 | (16%) |
| **Life Other Operations core earnings** | **$ 169** | **$ 162** | **$ 181** | **$ 162** | **$ 147** | **(13%)** | **(9%)** | **$ 612** | **$ 490** | **(20%)** |
| **Return on assets (After-tax bps)** | | | | | | | | | | |
| **U.S. Annuity return on assets** | | | | | | | | | | |
| Net income (loss) | (105.6) | 9.1 | 96.5 | (9.4) | 96.7 | 202.3 | 106.1 | 0.9 | 61.9 | 61.0 |
| Core earnings, excluding impact of DAC unlock | 42.4 | 46.3 | 46.8 | 38.6 | 37.0 | (5.4) | (1.6) | 54.0 | 41.5 | (12.5) |
| **International Annuity return on assets** | | | | | | | | | | |
| Net income (loss) | 405.1 | (48.6) | (518.0) | 458.4 | (91.0) | (496.1) | (549.4) | 136.6 | (53.3) | (189.9) |
| Core earnings, excluding impact of DAC unlock | 78.6 | 77.3 | 82.4 | 77.5 | 86.4 | 7.8 | 8.9 | 77.3 | 81.4 | 4.1 |
| **Life Other Operations return on assets** | | | | | | | | | | |
| Net income (loss) | 23.8 | (3.8) | (48.1) | 95.6 | 34.8 | 11.0 | (60.8) | 32.8 | 27.2 | (5.6) |
| Core earnings, excluding impact of DAC unlock | 38.4 | 38.2 | 42.0 | 38.2 | 35.3 | (3.1) | (2.9) | 45.8 | 38.7 | (7.1) |
| **Account Value** | | | | | | | | | | |
| U.S. Variable Annuity | $ 66,716 | $ 68,760 | $ 72,235 | $ 66,538 | $ 66,708 | - | - | | | |
| U.S. Fixed Annuity and Other | 11,727 | 11,631 | 11,507 | 11,228 | 11,005 | (6%) | (2%) | | | |
| **Total U.S. Annuity account value** | **$ 78,443** | **$ 80,391** | **$ 83,742** | **$ 77,766** | **$ 77,713** | **(1%)** | **-** | | | |
| International Variable Annuity | $ 31,438 | $ 31,162 | $ 31,392 | $ 29,831 | $ 30,622 | (3%) | 3% | | | |
| International Fixed Annuity | 5,013 | 4,786 | 4,469 | 4,461 | 4,536 | (10%) | 2% | | | |
| **Total International Annuity account value** | **$ 36,451** | **$ 35,948** | **$ 35,861** | **$ 34,292** | **$ 35,158** | **(4%)** | **3%** | | | |
| Institutional Annuity [1] | $ 19,477 | $ 19,330 | $ 18,622 | $ 18,233 | $ 18,204 | (7%) | - | | | |
| PPLI | $ 35,989 | $ 36,335 | $ 36,830 | $ 36,911 | $ 37,277 | 4% | 1% | | | |
| **Total Life Other Operations account value [1]** | **$ 168,886** | **$ 170,708** | **$ 173,743** | **$ 165,873** | **$ 167,006** | **(1%)** | **1%** | | | |

[1] Included in the Institutional Annuity account value balance is approximately $1.5 billion for the three months ended September 30, 2011 and approximately $1.3 billion for the three months ended December 31, 2011, March 31, 2012, June 30, 2012 and September 30, 2012 related to an intrasegment funding agreement which is eliminated in consolidation.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
# RUNOFF OPERATIONS
## LIFE OTHER OPERATIONS - U.S. ANNUITY
## SUPPLEMENTAL DATA - ACCOUNT VALUE ROLL FORWARD

| | THREE MONTHS ENDED | | | | |
|---|---|---|---|---|---|
| | **Sept. 30, 2011** | **Dec. 31, 2011** | **Mar. 31, 2012** | **Jun. 30, 2012** | **Sept. 30, 2012** |
| **VARIABLE ANNUITIES** | | | | | |
| **Beginning balance** | **$ 79,347** | **$ 66,716** | **$ 68,760** | **$ 72,235** | **$ 66,538** |
| Deposits | 192 | 216 | 307 | 169 | 130 |
| Partial Withdrawals | (797) | (912) | (815) | (780) | (711) |
| Full Surrenders | (1,648) | (1,295) | (1,687) | (2,251) | (1,737) |
| Death benefits/annuitizations/other [1] | (344) | (346) | (449) | (397) | (388) |
| Transfers | (45) | (44) | 3 | - | 2 |
| Net flows | (2,642) | (2,381) | (2,641) | (3,259) | (2,704) |
| Change in market value/change in reserve/interest credited | (9,989) | 4,425 | 6,116 | (2,439) | 2,874 |
| Other [2] | - | - | - | 1 | - |
| **Ending balance** | **$ 66,716** | **$ 68,760** | **$ 72,235** | **$ 66,538** | **$ 66,708** |
| **FIXED MARKET VALUE ADJUSTED ("MVA") AND OTHER** | | | | | |
| **Beginning balance** | **$ 11,978** | **$ 11,727** | **$ 11,631** | **$ 11,507** | **$ 11,228** |
| Deposits | 36 | 42 | 46 | 16 | 9 |
| Surrenders | (301) | (175) | (204) | (298) | (251) |
| Death benefits/annuitizations/other [1] | (165) | (163) | (102) | (106) | (105) |
| Transfers | 73 | 62 | 1 | (4) | 1 |
| Net flows | (357) | (234) | (259) | (392) | (346) |
| Change in market value/change in reserve/interest credited | 106 | 138 | 136 | 113 | 123 |
| Other | - | - | (1) | - | - |
| **Ending balance** | **$ 11,727** | **$ 11,631** | **$ 11,507** | **$ 11,228** | **$ 11,005** |
| **TOTAL U.S. ANNUITY** | | | | | |
| **Beginning balance** | **$ 91,325** | **$ 78,443** | **$ 80,391** | **$ 83,742** | **$ 77,766** |
| Deposits | 228 | 258 | 353 | 185 | 139 |
| Surrenders | (2,746) | (2,382) | (2,706) | (3,329) | (2,699) |
| Death benefits/annuitizations/other [1] | (509) | (509) | (551) | (503) | (493) |
| Transfers | 28 | 18 | 4 | (4) | 3 |
| Net flows | (2,999) | (2,615) | (2,900) | (3,651) | (3,050) |
| Change in market value/change in reserve/interest credited | (9,883) | 4,563 | 6,252 | (2,326) | 2,997 |
| Other [2] | - | - | (1) | 1 | - |
| **Ending balance** | **$ 78,443** | **$ 80,391** | **$ 83,742** | **$ 77,766** | **$ 77,713** |

[1] Includes transfers from the accumulation phase to the annuitization phase.

[2] Includes a bonus on certain products, front end loads on A share products and annual maintenance fees.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## RUNOFF OPERATIONS
### LIFE OTHER OPERATIONS - INTERNATIONAL ANNUITY
### SUPPLEMENTAL DATA - ACCOUNT VALUE ROLL FORWARD

| | THREE MONTHS ENDED | | | | |
|---|---|---|---|---|---|
| | **Sept. 30, 2011** | **Dec. 31, 2011** | **Mar. 31, 2012** | **Jun. 30, 2012** | **Sept. 30, 2012** |
| **VARIABLE ANNUITIES** | | | | | |
| **Beginning balance** | **$ 32,981** | **$ 31,438** | **$ 31,162** | **$ 31,392** | **$ 29,831** |
| Full Surrenders | (296) | (291) | (311) | (379) | (309) |
| Death benefits/annuitizations/other | (165) | (164) | (194) | (194) | (200) |
| Net flows | (461) | (455) | (505) | (573) | (509) |
| Change in market value/change in reserve/interest credited | (2,477) | 141 | 2,681 | (1,862) | 532 |
| Other | 1,395 | 38 | (1,946) | 874 | 768 |
| **Ending balance** | **$ 31,438** | **$ 31,162** | **$ 31,392** | **$ 29,831** | **$ 30,622** |
| **FIXED MARKET VALUE ADJUSTED ("MVA") AND OTHER** | | | | | |
| **Beginning balance** | **$ 4,824** | **$ 5,013** | **$ 4,786** | **$ 4,469** | **$ 4,461** |
| Surrenders | (44) | (59) | (47) | (152) | (57) |
| Death benefits/annuitizations/other | (16) | (204) | 1 | (18) | (4) |
| Net flows | (60) | (263) | (46) | (170) | (61) |
| Change in market value/change in reserve/interest credited | 19 | 28 | 40 | 23 | 22 |
| Other | 230 | 8 | (311) | 139 | 114 |
| **Ending balance** | **$ 5,013** | **$ 4,786** | **$ 4,469** | **$ 4,461** | **$ 4,536** |
| **TOTAL INTERNATIONAL ANNUITY** | | | | | |
| **Beginning balance** | **$ 37,805** | **$ 36,451** | **$ 35,948** | **$ 35,861** | **$ 34,292** |
| Surrenders | (340) | (350) | (358) | (531) | (366) |
| Death benefits/annuitizations/other | (181) | (368) | (193) | (212) | (204) |
| Net flows | (521) | (718) | (551) | (743) | (570) |
| Change in market value/change in reserve/interest credited | (2,458) | 169 | 2,721 | (1,839) | 554 |
| Other | 1,625 | 46 | (2,257) | 1,013 | 882 |
| **Ending balance** | **$ 36,451** | **$ 35,948** | **$ 35,861** | **$ 34,292** | **$ 35,158** |

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## RUNOFF OPERATIONS
## LIFE OTHER OPERATIONS
### DEFERRED POLICY ACQUISITION COSTS AND PRESENT VALUE OF FUTURE PROFITS ("DAC") [1]

| | U.S. Annuity | International Annuity | Institutional Annuity | PPLI | Life Other Operations |
|---|---|---|---|---|---|
| **Balance, December 31, 2011** | **$ 2,412** | **$ 1,125** | **$ 55** | **$ 33** | **$ 3,625** |
| Adjustments to unrealized gains and losses on securities available-for-sale and other | 178 | (16) | - | - | 162 |
| Balance, excluding adjustments to unrealized gains and losses on securitis available-for-sale and other | 2,590 | 1,109 | 55 | 33 | 3,787 |
| Deferred costs | 47 | - | - | - | 47 |
| Disposition of PPLI servicing business | - | - | - | (16) | (16) |
| Amortization—DAC | (241) | (49) | (3) | (1) | (294) |
| Amortization—Core unlock benefit (charge), pre-tax | 10 | 8 | - | - | 18 |
| Amortization—Non-core unlock benefit (charge), pre-tax | (79) | 15 | - | - | (64) |
| Effect of currency translation adjustment | - | (11) | - | - | (11) |
| **Balance, September 30, 2012** | **2,327** | **1,072** | **52** | **16** | **3,467** |
| Adjustments to unrealized gains and losses on securities available-for-sale and other | (344) | - | - | - | (344) |
| **Balance, September 30, 2012 including adjustments to unrealized gains and losses on securities available-for-sale and other** | **$ 1,983** | **$ 1,072** | **$ 52** | **$ 16** | **$ 3,123** |

**DAC UNLOCK ATTRIBUTION BY SEGMENT**
**Three months ended September 30, 2012**

| | U.S. Annuity | International Annuity | Institutional Annuity | Life Other Operations |
|---|---|---|---|---|
| Assumption | $ (57) | $ 16 | $ 6 | **$ (35)** |
| Market | 43 | (19) | - | **24** |
| **DAC unlock impacts on core earnings** | **(14)** | **(3)** | **6** | **(11)** |
| | | | | |
| Assumption | (63) | 5 | - | **(58)** |
| Market | 3 | 1 | - | **4** |
| **DAC unlock impacts on net unrealized gains (losses), net of tax and DAC, excluded from core earnings** | **(60)** | **6** | **-** | **(54)** |
| | | | | |
| Assumption | (120) | 21 | 6 | (93) |
| Market | 46 | (18) | - | 28 |
| **DAC unlock impacts on net income** | **$ (74)** | **$ 3** | **$ 6** | **$ (65)** |

[1] The first table is comprised of a balance sheet roll forward of the DAC asset. The second table contains the income statement impact of the total unlock, inclusive of DAC, sales inducement amortization, unearned revenue reserves and other components for the three months ended September 30, 2012.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## RUNOFF OPERATIONS - LIFE OTHER OPERATIONS
### SUPPLEMENTAL DATA - ANNUITY DEATH AND LIVING BENEFITS

| | As of Sept. 30, 2011 | As of Dec. 31, 2011 | As of Mar. 31, 2012 | As of Jun. 30, 2012 | As of Sept. 30, 2012 |
|---|---|---|---|---|---|
| **U.S. VARIABLE ANNUITY BUSINESS** | | | | | |
| S&P 500 index value at end of period | 1,131.42 | 1,257.60 | 1,408.47 | 1,362.16 | 1,440.67 |
| Total account value with guaranteed minimum death benefits (“GMDB”) | $ 66,716 | $ 68,760 | $ 72,235 | $ 66,538 | $ 66,707 |
| GMDB gross net amount of risk | 15,833 | 12,021 | 7,698 | 8,998 | 7,187 |
| % of GMDB NAR reinsured | 54% | 58% | 65% | 62% | 66% |
| GMDB retained net amount of risk | 7,205 | 5,087 | 2,724 | 3,461 | 2,458 |
| GMDB net GAAP liability [1] | 440 | 380 | 322 | 337 | 308 |
| Total account value with guaranteed minimum withdrawal benefits (“GMWB”) | $ 35,566 | $ 36,604 | $ 38,312 | $ 35,127 | $ 34,836 |
| GMWB gross net amount of risk | 3,025 | 1,888 | 847 | 1,198 | 761 |
| % of GMWB NAR reinsured | 16% | 16% | 16% | 16% | 16% |
| GMWB retained net amount of risk | 2,533 | 1,587 | 711 | 1,009 | 636 |
| GMWB net GAAP liability | 2,276 | 2,082 | 1,355 | 1,790 | 1,179 |
| **JAPAN VARIABLE ANNUITY BUSINESS** | | | | | |
| Yen / $ | 77.1 | 76.9 | 82.3 | 79.8 | 77.8 |
| Total account value with GMDB | $ 29,522 | $ 29,234 | $ 29,396 | $ 27,977 | $ 28,725 |
| GMDB gross net amount of risk | 11,035 | 10,857 | 7,580 | 9,477 | 9,107 |
| % of GMDB NAR reinsured | 13% | 13% | 15% | 13% | 13% |
| GMDB retained net amount of risk | 9,583 | 9,413 | 6,469 | 8,236 | 7,882 |
| Total account value with guaranteed minimum income benefits (“GMIB”) | $ 27,471 | $ 27,282 | $ 27,350 | $ 26,119 | $ 26,917 |
| GMIB retained net amount of risk [2] | 7,662 | 7,502 | 4,785 | 6,470 | 6,092 |
| GMDB/GMIB net GAAP liability [1] | 907 | 930 | 704 | 847 | 874 |

[1] For the three months ended September 30, 2011 there was a decrease to the GMDB/GMIB liability as a result of the unlock for the Japan and U.S. variable annuity business of $88 and $244, respectively. For the three months ended December 31, 2011 the amounts were $(54) and $32, respectively. For the three months ended March 31, 2012 the amounts were $(61) and $(152), respectively. For the three months ended June 30, 2012 the amounts were $9 and $130, respectively. For the three months ended September 30, 2012 the amounts were $(39) and $16, respectively.
[2] Policies with a guaranteed living benefit (a GMWB in the US) also have a guaranteed death benefit. The net amount at risk ("NAR") for each benefit is shown, however these benefits are not additive. When a policy terminates due to death, any NAR related to GMWB is released. Similarly, when a policy goes into benefit status on a GMWB the GMDB NAR is reduced to $0.

# CORPORATE

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## CORPORATE
## INCOME STATEMENTS

| | THREE MONTHS ENDED | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | NINE MONTHS ENDED SEPTEMBER 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| Fee income | $ 55 | $ 48 | $ 52 | $ 45 | $ 45 | (18%) | - | $ 161 | $ 142 | (12%) |
| Net investment income | 1 | (7) | (6) | 3 | 8 | NM | 167% | 30 | 5 | (83%) |
| Net realized capital gains (losses) | (51) | (40) | 15 | 17 | 9 | NM | (47%) | (56) | 41 | NM |
| **Total revenues** | **$ 5** | **$ 1** | **$ 61** | **$ 65** | **$ 62** | **NM** | **(5%)** | **$ 135** | **$ 188** | **39%** |
| Benefits, losses and loss adjustment expenses | (6) | 1 | - | (1) | 1 | NM | NM | (4) | - | 100% |
| Insurance operating costs and other expenses | 43 | 9 | 76 | 63 | 57 | 33% | (10%) | 168 | 196 | 17% |
| Loss on extinguishment of debt [1] | - | - | - | 910 | - | - | (100%) | - | 910 | NM |
| Interest expense | 128 | 124 | 124 | 115 | 109 | (15%) | (5%) | 384 | 348 | (9%) |
| Restructuring and other costs | 14 | 11 | 9 | 28 | 17 | 22% | (39%) | 14 | 54 | NM |
| **Total benefits and expenses** | **$ 179** | **$ 145** | **$ 209** | **$ 1,115** | **$ 184** | **3%** | **(83%)** | **$ 562** | **$ 1,508** | **168%** |
| **Loss from continuing operations before income taxes** | **(174)** | **(144)** | **(148)** | **(1,050)** | **(122)** | **30%** | **88%** | **(427)** | **(1,320)** | **NM** |
| Income tax benefit | (62) | (48) | (52) | (372) | (44) | 29% | 88% | (153) | (468) | NM |
| **Loss from continuing operations** | **(112)** | **(96)** | **(96)** | **(678)** | **(78)** | **30%** | **88%** | **(274)** | **(852)** | **NM** |
| Add: Income (loss) from discontinued operations [2] | 5 | 6 | - | - | - | (100%) | - | (70) | - | 100% |
| **Net loss** | **$ (107)** | **$ (90)** | **$ (96)** | **$ (678)** | **$ (78)** | **27%** | **88%** | **$ (344)** | **$ (852)** | **(148%)** |
| Less: Net realized capital gains (losses), net of tax and DAC, excluded from core losses | (29) | (26) | 12 | 7 | 9 | NM | 29% | (29) | 28 | NM |
| Less: Loss on extinguishment of debt, net of tax | - | - | - | (587) | - | - | 100% | - | (587) | NM |
| Less: Income (loss) from discontinued operations [2] | 5 | 6 | - | - | - | (100%) | - | (70) | - | 100% |
| **Core losses** | **$ (83)** | **$ (70)** | **$ (108)** | **$ (98)** | **$ (87)** | **(5%)** | **11%** | **$ (245)** | **$ (293)** | **(20%)** |

[1] Includes a loss on extinguishment of debt of $587, after-tax, recognized in the second quarter of 2012 related to the repurchase of all outstanding 10% fixed-to-floating rate junior subordinated debentures due 2068 with a $1.75 billion aggregate principal amount held by Allianz. The loss consisted of the premium associated with repurchasing the 10% Debentures at an amount greater than the face amount, the write-off of the unamortized discount and debt issuance costs related to the 10% Debentures and other costs related to the repurchase transaction.

[2] The nine months ended September 30, 2011 includes an after-tax charge of $74 related to the disposition of Federal Trust Corporation.

# CONSOLIDATED INVESTMENTS

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## INVESTMENT EARNINGS BEFORE-TAX
## CONSOLIDATED

| | Three Months Ended | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | Nine Months Ended Sept. 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| **Net Investment Income (Loss)** | | | | | | | | | | |
| Fixed maturities [1] | | | | | | | | | | |
| Taxable | $ 711 | $ 723 | $ 738 | $ 729 | $ 712 | - | (2%) | $ 2,174 | $ 2,179 | - |
| Tax-exempt | 125 | 121 | 120 | 119 | 118 | (6%) | (1%) | 378 | 357 | (6%) |
| Total fixed maturities | 836 | 844 | 858 | 848 | 830 | (1%) | (2%) | 2,552 | 2,536 | (1%) |
| Equity securities, trading | (1,890) | 325 | 2,866 | (1,687) | 710 | NM | NM | (1,684) | 1,889 | NM |
| Equity securities, available-for-sale | 8 | 9 | 10 | 8 | 5 | (38%) | (38%) | 27 | 23 | (15%) |
| Mortgage loans | 75 | 76 | 79 | 86 | 88 | 17% | 2% | 205 | 253 | 23% |
| Policy loans | 32 | 32 | 30 | 30 | 30 | (6%) | - | 99 | 90 | (9%) |
| Limited partnerships and other alternative investments [2] | 67 | (2) | 52 | 72 | 28 | (58%) | (61%) | 245 | 152 | (38%) |
| Other [3] | 73 | 70 | 69 | 81 | 75 | 3% | (7%) | 231 | 225 | (3%) |
| Subtotal | (799) | 1,354 | 3,964 | (562) | 1,766 | NM | NM | 1,675 | 5,168 | NM |
| Less: Investment expense | 29 | 31 | 28 | 28 | 26 | (10%) | (7%) | 85 | 82 | (4%) |
| **Total net investment income [4]** | **$ (828)** | **$ 1,323** | **$ 3,936** | **$ (590)** | **$ 1,740** | **NM** | **NM** | **$ 1,590** | **$ 5,086** | **NM** |
| Less: Equity securities, trading | (1,890) | 325 | 2,866 | (1,687) | 710 | NM | NM | (1,684) | 1,889 | NM |
| **Total net investment income excluding trading securities** | **$ 1,062** | **$ 998** | **$ 1,070** | **$ 1,097** | **$ 1,030** | **(3%)** | **(6%)** | **$ 3,274** | **$ 3,197** | **(2%)** |
| Annualized investment yield, before-tax [5] | 4.3% | 4.0% | 4.3% | 4.4% | 4.2% | (0.1) | (0.2) | 4.5% | 4.3% | (0.2) |
| Annualized investment yield, after-tax [5] | 2.9% | 2.8% | 3.0% | 3.0% | 2.9% | (0.0) | (0.1) | 3.1% | 3.0% | (0.1) |
| **Net Realized Capital Gains (Losses)** | | | | | | | | | | |
| Gross gains on sales | $ 197 | $ 174 | $ 259 | $ 246 | $ 205 | 4% | (17%) | $ 519 | $ 710 | 37% |
| Gross losses on sales | (63) | (90) | (97) | (159) | (131) | (108%) | 18% | (294) | (387) | (32%) |
| Net impairment losses | (60) | (36) | (29) | (98) | (37) | 38% | 62% | (138) | (164) | (19%) |
| Valuation allowances on mortgage loans | - | 1 | 1 | - | - | - | - | 23 | 1 | (96%) |
| Japanese fixed annuity contract hedges, net [6] | 9 | 5 | (20) | 2 | (24) | NM | NM | (2) | (42) | NM |
| Periodic net coupon settlements on credit derivatives/Japan [7] | 1 | (2) | (5) | 4 | 2 | 100% | (50%) | (8) | 1 | NM |
| Results of variable annuity hedge program | | | | | | | | | | |
| U.S. GMWB derivatives, net | (323) | (97) | 185 | (115) | 381 | NM | NM | (300) | 451 | NM |
| U.S. macro hedge | 107 | (221) | (189) | 6 | (109) | NM | NM | 6 | (292) | NM |
| Total U.S. program | (216) | (318) | (4) | (109) | 272 | NM | NM | (294) | 159 | NM |
| International program | 1,132 | (90) | (1,219) | 753 | (167) | NM | NM | 865 | (633) | NM |
| Total results of variable annuity hedge program | 916 | (408) | (1,223) | 644 | 105 | (89%) | (84%) | 571 | (474) | NM |
| Other net gain (loss) [8] | (425) | (30) | 204 | (50) | (1) | 100% | 98% | (430) | 153 | NM |
| **Total net realized capital gains (losses) [9]** | **$ 575** | **$ (386)** | **$ (910)** | **$ 589** | **$ 119** | **(79%)** | **(80%)** | **$ 241** | **$ (202)** | **NM** |

[1] Includes income on short-term bonds.
[2] Includes income on real estate joint ventures and hedge fund investments outside of limited partnerships.
[3] Primarily represents income from derivatives that qualify for hedge accounting and hedge fixed maturities.
[4] Includes $1, $1, $1, $2 and $1 in Corporate as of September 30, 2011, December 31, 2011, March 31, 2012, June 30, 2012, and September 30, 2012, respectively. Please refer to the basis of presentation for a description of the statutory legal entity view for Corporate.
[5] Yields calculated using annualized net investment income (excluding income related to equity securities, trading) divided by the monthly average invested assets at cost, amortized cost, or adjusted carrying value, as applicable, excluding equity securities, trading, and consolidated variable interest entity non-controlling interests.
[6] Relates to the Japanese fixed annuity product (adjustment of product liability for changes in spot currency exchange rates, related derivative hedging instruments, excluding periodic net coupon settlements, and Japan fair value option securities).
[7] Included in core earnings.
[8] Primarily consists of gains and losses on non-qualifying derivatives, fixed maturities, FVO, Japan 3Win related foreign currency swaps and other investment gains and losses.
[9] Includes $0, ($1), ($2), ($1) and ($2). in Corporate as of September 30, 2011, December 31, 2011, March 31, 2012, June 30, 2012, and September 30, 2012, respectively.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## INVESTMENT EARNINGS BEFORE-TAX
### LIFE [1]

| | Three Months Ended | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | Nine Months Ended Sept. 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| **Net Investment Income (Loss)** | | | | | | | | | | |
| Fixed maturities [2] | | | | | | | | | | |
| Taxable | $ 537 | $ 541 | $ 555 | $ 553 | $ 540 | 1% | (2%) | $ 1,633 | $ 1,648 | 1% |
| Tax-exempt | 27 | 26 | 26 | 25 | 25 | (7%) | - | 80 | 76 | (5%) |
| Total fixed maturities | 564 | 567 | 581 | 578 | 565 | - | (2%) | 1,713 | 1,724 | 1% |
| Equity securities, trading | (1,890) | 325 | 2,866 | (1,687) | 710 | NM | NM | (1,684) | 1,889 | NM |
| Equity securities, available-for-sale | 3 | 4 | 5 | 3 | 2 | (33%) | (33%) | 12 | 10 | (17%) |
| Mortgage loans | 67 | 67 | 69 | 74 | 76 | 13% | 3% | 184 | 219 | 19% |
| Policy loans | 32 | 32 | 30 | 30 | 30 | (6%) | - | 99 | 90 | (9%) |
| Limited partnerships and other alternative investments [3] | 52 | (3) | 26 | 41 | 13 | (74%) | (68%) | 162 | 80 | (50%) |
| Other [4] | 65 | 59 | 61 | 69 | 65 | - | (6%) | 202 | 195 | (3%) |
| Subtotal | (1,107) | 1,051 | 3,638 | (892) | 1,461 | NM | NM | 688 | 4,207 | NM |
| Less: Investment expense | 22 | 22 | 21 | 21 | 19 | (14%) | (10%) | 63 | 61 | (3%) |
| **Total net investment income** | **$ (1,129)** | **$ 1,029** | **$ 3,617** | **$ (913)** | **$ 1,442** | **NM** | **NM** | **$ 625** | **$ 4,146** | **NM** |
| Less: Equity securities, trading | (1,890) | 325 | 2,866 | (1,687) | 710 | NM | NM | (1,684) | 1,889 | NM |
| **Total net investment income excluding trading securities** | **$ 761** | **$ 704** | **$ 751** | **$ 774** | **$ 732** | **(4%)** | **(5%)** | **$ 2,309** | **$ 2,257** | **(2%)** |
| Annualized investment yield, before-tax [5] | 4.5% | 4.1% | 4.4% | 4.5% | 4.2% | (0.3) | (0.3) | 4.6% | 4.3% | (0.3) |
| Annualized investment yield, after-tax [5] | 3.0% | 2.7% | 2.9% | 3.0% | 2.8% | (1.7) | (0.2) | 3.0% | 2.9% | (0.2) |
| **Net Realized Capital Gains (Losses)** | | | | | | | | | | |
| Gross gains on sales | $ 144 | $ 123 | $ 191 | $ 170 | $ 153 | 6% | (10%) | $ 371 | $ 514 | 39% |
| Gross losses on sales | (31) | (61) | (74) | (107) | (87) | (181%) | 19% | (185) | (268) | (45%) |
| Net impairment losses | (44) | (35) | (24) | (50) | (27) | 39% | 46% | (98) | (101) | (3%) |
| Valuation allowances on mortgage loans | - | - | 1 | - | - | - | - | 23 | 1 | (96%) |
| Japanese fixed annuity contract hedges, net [6] | 9 | 5 | (20) | 2 | (24) | NM | NM | (2) | (42) | NM |
| Periodic net coupon settlements on credit derivatives/Japan [7] | 2 | (1) | (5) | 4 | 2 | - | (50%) | (3) | 1 | NM |
| Results of variable annuity hedge program | | | | | | | | | | |
| U.S. GMWB derivatives, net | (323) | (97) | 185 | (115) | 381 | NM | NM | (300) | 451 | NM |
| U.S. macro hedge | 106 | (221) | (189) | 6 | (109) | NM | NM | 5 | (292) | NM |
| Total U.S. program | (217) | (318) | (4) | (109) | 272 | NM | NM | (295) | 159 | NM |
| International program | 1,132 | (90) | (1,219) | 753 | (167) | NM | NM | 865 | (633) | NM |
| Total results of variable annuity hedge program | 915 | (408) | (1,223) | 644 | 105 | (89%) | (84%) | 570 | (474) | NM |
| Other net gain (loss) [8] | (355) | (22) | 185 | (54) | (16) | 95% | 70% | (355) | 115 | NM |
| **Total net realized capital gains (losses)** | **$ 640** | **$ (399)** | **$ (969)** | **$ 609** | **$ 106** | **(83%)** | **(83%)** | **$ 321** | **$ (254)** | **NM** |

[1] Please refer to the basis of presentation for a description of the statutory legal entity view for Life.
[2] Includes income on short-term bonds.
[3] Includes income on a real estate joint venture.
[4] Primarily represents income from derivatives that qualify for hedge accounting and hedge fixed maturities.
[5] Yields calculated using annualized net investment income (excluding income related to equity securities, trading) divided by the monthly average invested assets at cost, amortized cost, or adjusted carrying value, as applicable, excluding equity securities, trading, and consolidated variable interest entity non-controlling interests.
[6] Relates to the Japanese fixed annuity product (adjustment of product liability for changes in spot currency exchange rates, related derivative hedging instruments, excluding periodic net coupon settlements, and Japan fair value option securities).
[7] Included in core earnings.
[8] Primarily consists of gains and losses on non-qualifying derivatives, fixed maturities, FVO, Japan 3Win related foreign currency swaps and other investment gains and losses.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## INVESTMENT EARNINGS BEFORE-TAX
### PROPERTY & CASUALTY [1]

| | Three Months Ended | | | | | Year Over Year 3 Month Change | Sequential 3 Month Change | Nine Months Ended Sept. 30, | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Sept. 30, 2011 | Dec. 31, 2011 | Mar. 31, 2012 | Jun. 30, 2012 | Sept. 30, 2012 | | | 2011 | 2012 | Change |
| **Net Investment Income (Loss)** | | | | | | | | | | |
| Fixed maturities [2] | | | | | | | | | | |
| Taxable | $ 174 | $ 182 | $ 183 | $ 175 | $ 171 | (2%) | (2%) | $ 538 | $ 529 | (2%) |
| Tax-exempt | 98 | 95 | 94 | 94 | 93 | (5%) | (1%) | 298 | 281 | (6%) |
| Total fixed maturities | 272 | 277 | 277 | 269 | 264 | (3%) | (2%) | 836 | 810 | (3%) |
| Equity securities, available-for-sale | 4 | 4 | 4 | 4 | 3 | (25%) | (25%) | 13 | 11 | (15%) |
| Mortgage loans | 8 | 9 | 10 | 12 | 12 | 50% | - | 21 | 34 | 62% |
| Limited partnerships and other alternative investments [3] | 15 | 1 | 26 | 31 | 15 | - | (52%) | 83 | 72 | (13%) |
| Other [4] | 8 | 11 | 8 | 12 | 10 | 25% | (17%) | 29 | 30 | 3% |
| Subtotal | 307 | 302 | 325 | 328 | 304 | (1%) | (7%) | 982 | 957 | (3%) |
| Less: Investment expense | 7 | 9 | 7 | 7 | 7 | - | - | 22 | 21 | (5%) |
| **Total net investment income** | **$ 300** | **$ 293** | **$ 318** | **$ 321** | **$ 297** | **(1%)** | **(7%)** | **$ 960** | **$ 936** | **(3%)** |
| Annualized investment yield, before-tax [5] | 4.3% | 4.2% | 4.5% | 4.5% | 4.3% | - | (0.2) | 4.6% | 4.5% | (0.1) |
| Annualized investment yield, after-tax [5] | 3.2% | 3.1% | 3.4% | 3.4% | 3.2% | (1.1) | (0.2) | 3.4% | 3.3% | (0.1) |
| **Net Realized Capital Gains (Losses)** | | | | | | | | | | |
| Gross gains on sales | $ 52 | $ 51 | $ 67 | $ 77 | $ 51 | (2%) | (34%) | $ 146 | $ 195 | 34% |
| Gross losses on sales | (31) | (29) | (23) | (52) | (43) | (39%) | 17% | (108) | (118) | (9%) |
| Net impairment losses | (16) | (1) | (5) | (48) | (10) | 38% | 79% | (40) | (63) | (58%) |
| Valuation allowances on mortgage loans | - | 1 | - | - | - | - | - | - | - | - |
| Periodic net coupon settlements on credit derivatives/Japan [6] | (1) | (1) | - | - | - | 100% | - | (5) | - | 100% |
| Other net gain (loss) [7] | (69) | (7) | 22 | 4 | 17 | NM | NM | (70) | 43 | NM |
| **Total net realized capital gains (losses)** | **$ (65)** | **$ 14** | **$ 61** | **$ (19)** | **$ 15** | **NM** | **NM** | **$ (77)** | **$ 57** | **NM** |

[1] Please refer to the basis of presentation for a description of the statutory legal entity view for Property & Casualty.
[2] Includes income on short-term bonds.
[3] Includes income on a real estate joint venture and hedge fund investments outside of limited partnerships.
[4] Primarily represents income from derivatives that qualify for hedge accounting and hedge fixed maturities.
[5] Yields calculated using annualized net investment income (excluding income related to equity securities, trading) divided by the monthly average invested assets at cost, amortized cost, or adjusted carrying value, as applicable.
[6] Included in core earnings.
[7] Primarily consists of gains and losses on non-qualifying derivatives and fixed maturities, FVO, and other investment gains and losses.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## COMPOSITION OF INVESTED ASSETS
### CONSOLIDATED

| | September 30, 2011 | | December 31, 2011 | | March 31, 2012 | | June 30, 2012 | | September 30, 2012 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Amount | Percent | Amount | Percent | Amount | Percent | Amount | Percent | Amount | Percent |
| Fixed maturities, available-for-sale, at fair value [1] | $ 80,263 | 59.0% | $ 81,809 | 60.6% | $ 83,157 | 62.3% | $ 85,227 | 63.2% | $ 86,726 | 63.2% |
| Fixed maturities, at fair value using fair value option | 1,323 | 1.0% | 1,328 | 1.0% | 1,291 | 1.0% | 1,165 | 0.9% | 1,355 | 1.0% |
| Equity securities, trading, at fair value [2] | 30,770 | 22.6% | 30,499 | 22.6% | 30,722 | 23.0% | 29,215 | 21.7% | 29,980 | 21.9% |
| Equity securities, available-for-sale, at fair value [3] | 989 | 0.7% | 921 | 0.7% | 938 | 0.7% | 851 | 0.6% | 878 | 0.6% |
| Mortgage loans [4] | 5,590 | 4.1% | 5,728 | 4.2% | 6,275 | 4.7% | 6,875 | 5.1% | 6,863 | 5.0% |
| Policy loans, at outstanding balance | 2,176 | 1.6% | 2,001 | 1.5% | 1,970 | 1.5% | 1,956 | 1.4% | 2,000 | 1.5% |
| Limited partnerships and other alternative investments [5] | 2,506 | 1.8% | 2,532 | 1.9% | 2,732 | 2.0% | 2,944 | 2.2% | 3,039 | 2.2% |
| Other investments [6] | 2,857 | 2.1% | 2,394 | 1.8% | 1,259 | 0.9% | 1,548 | 1.1% | 1,540 | 1.1% |
| Short-term investments [7] | 9,704 | 7.1% | 7,736 | 5.7% | 5,256 | 3.9% | 5,154 | 3.8% | 4,787 | 3.5% |
| **Total investments** | **$ 136,178** | **100.0%** | **$ 134,948** | **100.0%** | **$ 133,600** | **100.0%** | **$ 134,935** | **100.0%** | **$ 137,168** | **100.0%** |
| Less: Equity securities, trading | 30,770 | 22.6% | 30,499 | 22.6% | 30,722 | 23.0% | 29,215 | 21.7% | 29,980 | 21.9% |
| **Total investments excluding trading securities** | **$ 105,408** | **77.4%** | **$ 104,449** | **77.4%** | **$ 102,878** | **77.0%** | **$ 105,720** | **78.3%** | **$ 107,188** | **78.1%** |
| Asset-backed securities ("ABS") | $ 3,504 | 4.4% | $ 3,153 | 3.9% | $ 3,087 | 3.7% | $ 3,002 | 3.5% | $ 2,758 | 3.2% |
| Collateralized debt obligations ("CDOs") | 2,465 | 3.1% | 2,487 | 3.0% | 3,043 | 3.7% | 3,037 | 3.5% | 3,072 | 3.5% |
| Commercial mortgage-backed securities ("CMBS") | 6,960 | 8.7% | 6,951 | 8.5% | 6,774 | 8.1% | 6,346 | 7.5% | 6,273 | 7.2% |
| Corporate | 43,316 | 53.9% | 44,011 | 53.9% | 43,329 | 52.2% | 42,983 | 50.5% | 43,433 | 50.1% |
| Foreign government/government agencies | 1,944 | 2.4% | 2,161 | 2.6% | 3,352 | 4.0% | 3,598 | 4.2% | 4,216 | 4.9% |
| Municipal - taxable | 1,649 | 2.1% | 1,757 | 2.1% | 2,284 | 2.7% | 2,364 | 2.8% | 2,399 | 2.8% |
| Municipal - tax-exempt | 11,515 | 14.3% | 11,503 | 14.1% | 11,554 | 13.9% | 11,761 | 13.8% | 11,892 | 13.7% |
| Residential mortgage-backed securities ("RMBS") | 5,336 | 6.6% | 5,757 | 7.0% | 6,595 | 7.9% | 6,981 | 8.2% | 7,477 | 8.6% |
| U.S. Treasuries | 3,574 | 4.5% | 4,029 | 4.9% | 3,139 | 3.8% | 5,155 | 6.0% | 5,206 | 6.0% |
| **Total fixed maturities, AFS [8]** | **$ 80,263** | **100.0%** | **$ 81,809** | **100.0%** | **$ 83,157** | **100.0%** | **$ 85,227** | **100.0%** | **$ 86,726** | **100.0%** |
| U.S. government/government agencies | $ 8,423 | 10.5% | $ 9,364 | 11.4% | $ 9,193 | 11.1% | $ 11,980 | 14.1% | $ 12,458 | 14.4% |
| AAA | 10,497 | 13.1% | 10,113 | 12.4% | 9,712 | 11.7% | 9,002 | 10.6% | 9,128 | 10.5% |
| AA | 15,921 | 19.8% | 15,844 | 19.4% | 16,463 | 19.8% | 16,290 | 19.1% | 16,305 | 18.8% |
| A | 21,584 | 26.9% | 21,053 | 25.7% | 20,773 | 25.0% | 21,207 | 24.9% | 21,923 | 25.3% |
| BBB | 20,626 | 25.7% | 21,760 | 26.6% | 22,664 | 27.2% | 22,528 | 26.3% | 22,665 | 26.1% |
| BB & below | 3,212 | 4.0% | 3,675 | 4.5% | 4,352 | 5.2% | 4,220 | 5.0% | 4,247 | 4.9% |
| **Total fixed maturities, AFS [8]** | **$ 80,263** | **100.0%** | **$ 81,809** | **100.0%** | **$ 83,157** | **100.0%** | **$ 85,227** | **100.0%** | **$ 86,726** | **100.0%** |

[1] Includes $1, $153, $149, $114, and $584 in Corporate at September 30, 2011, December 31, 2011, March 31, 2012 June 30, 2012, and September 2012, respectively.
[2] These assets support the Global Annuity-International variable annuity business. Changes in these balances are also reflected in the respective liabilities.
[3] Includes $96, $104, $110, $110, and $114 in Corporate at September 30, 2011, December 31, 2011, March 31, 2012, June 30, 2012, and September, 30 2012, respectively.
[4] Includes $128, $0, $0, $0, and $0 in Corporate at September 30, 2011, December 31, 2011, March 31, 2012, June 30, 2012 and September 30, 2012 respectively.
[5] Includes real estate joint ventures and hedge fund investments outside of limited partnerships.
[6] Primarily relates to derivative instruments. Additionally, includes $27, $29, $26, $26 and $24 in Corporate at September 30, 2011, December 31, 2011, March 31, 2012, June 30, 2012 and September 30 2012, respectively.
[7] Includes $2,293, $1,437, $1,346, $1,139, and $731 in the Corporate segment at September 30, 2011, December 31, 2011, March 31, 2012 June 30, 2012 and September 30 2012, respectively.
[8] Available-for-sale ("AFS").

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## COMPOSITION OF INVESTED ASSETS
### LIFE [1]

| | September 30, 2011 | | December 31, 2011 | | March 31, 2012 | | June 30, 2012 | | September 30, 2012 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Amount | Percent | Amount | Percent | Amount | Percent | Amount | Percent | Amount | Percent |
| Fixed maturities, available-for-sale, at fair value | $ 54,329 | 51.9% | $ 55,633 | 53.3% | $ 56,923 | 55.5% | $ 58,891 | 56.7% | $ 59,656 | 56.5% |
| Fixed maturities, at fair value using fair value option | 1,314 | 1.3% | 1,317 | 1.3% | 1,279 | 1.2% | 1,154 | 1.1% | 1,343 | 1.3% |
| Equity securities, trading, at fair value [2] | 30,770 | 29.4% | 30,499 | 29.3% | 30,722 | 29.9% | 29,215 | 28.1% | 29,980 | 28.3% |
| Equity securities, available-for-sale, at fair value | 563 | 0.5% | 515 | 0.5% | 506 | 0.5% | 446 | 0.4% | 494 | 0.5% |
| Mortgage loans | 4,779 | 4.6% | 4,979 | 4.8% | 5,380 | 5.2% | 5,817 | 5.6% | 5,799 | 5.5% |
| Policy loans, at outstanding balance | 2,176 | 2.1% | 2,001 | 1.9% | 1,970 | 1.9% | 1,956 | 1.9% | 2,000 | 1.9% |
| Limited partnerships and other alternative investments [3] | 1,320 | 1.3% | 1,318 | 1.3% | 1,436 | 1.4% | 1,543 | 1.5% | 1,559 | 1.5% |
| Other investments [4] | 2,717 | 2.6% | 2,244 | 2.2% | 1,103 | 1.1% | 1,365 | 1.3% | 1,351 | 1.3% |
| Short-term investments | 6,619 | 6.3% | 5,641 | 5.4% | 3,384 | 3.3% | 3,549 | 3.4% | 3,351 | 3.2% |
| **Total investments** | **$ 104,587** | **100.0%** | **$ 104,147** | **100.0%** | **$ 102,703** | **100.0%** | **$ 103,936** | **100.0%** | **$ 105,533** | **100.0%** |
| Less: Equity securities, trading | 30,770 | 29.4% | 30,499 | 29.3% | 30,722 | 29.9% | 29,215 | 28.1% | 29,980 | 28.3% |
| **Total investments excluding trading securities** | **$ 73,817** | **70.6%** | **$ 73,648** | **70.7%** | **$ 71,981** | **70.1%** | **$ 74,721** | **71.9%** | **$ 75,553** | **71.7%** |
| ABS | $ 2,778 | 5.1% | $ 2,491 | 4.5% | $ 2,379 | 4.2% | $ 2,345 | 4.0% | $ 2,097 | 3.5% |
| CDOs | 1,949 | 3.6% | 1,968 | 3.5% | 2,383 | 4.2% | 2,374 | 4.0% | 2,400 | 4.0% |
| CMBS | 4,715 | 8.7% | 4,667 | 8.4% | 4,546 | 8.0% | 4,308 | 7.3% | 4,383 | 7.3% |
| Corporate | 33,007 | 60.7% | 33,719 | 60.6% | 33,621 | 59.1% | 33,525 | 56.9% | 33,843 | 56.7% |
| Foreign government/government agencies | 1,409 | 2.6% | 1,605 | 2.9% | 2,784 | 4.9% | 3,039 | 5.2% | 3,362 | 5.6% |
| Municipal - taxable | 1,508 | 2.8% | 1,603 | 2.9% | 1,950 | 3.4% | 2,015 | 3.4% | 2,034 | 3.4% |
| Municipal - tax-exempt | 2,500 | 4.6% | 2,450 | 4.4% | 2,453 | 4.3% | 2,485 | 4.2% | 2,523 | 4.2% |
| RMBS | 3,797 | 7.0% | 4,000 | 7.2% | 4,694 | 8.2% | 4,907 | 8.3% | 5,225 | 8.8% |
| U.S. Treasuries | 2,666 | 4.9% | 3,130 | 5.6% | 2,113 | 3.7% | 3,893 | 6.7% | 3,789 | 6.5% |
| **Total fixed maturities, AFS** | **$ 54,329** | **100.0%** | **$ 55,633** | **100.0%** | **$ 56,923** | **100.0%** | **$ 58,891** | **100.0%** | **$ 59,656** | **100.0%** |
| U.S. government/government agencies | $ 5,806 | 10.7% | $ 6,509 | 11.7% | $ 6,121 | 10.7% | $ 8,341 | 14.2% | $ 8,491 | 14.2% |
| AAA | 6,426 | 11.8% | 6,212 | 11.2% | 5,952 | 10.5% | 5,349 | 9.1% | 5,260 | 8.8% |
| AA | 8,498 | 15.6% | 8,353 | 15.0% | 9,044 | 15.9% | 9,130 | 15.5% | 9,305 | 15.6% |
| A | 15,798 | 29.1% | 15,528 | 27.8% | 15,574 | 27.4% | 16,024 | 27.2% | 16,587 | 27.8% |
| BBB | 15,165 | 27.9% | 16,108 | 29.0% | 16,775 | 29.4% | 16,682 | 28.3% | 16,736 | 28.1% |
| BB & below | 2,636 | 4.9% | 2,923 | 5.3% | 3,457 | 6.1% | 3,365 | 5.7% | 3,277 | 5.5% |
| **Total fixed maturities, AFS** | **$ 54,329** | **100.0%** | **$ 55,633** | **100.0%** | **$ 56,923** | **100.0%** | **$ 58,891** | **100.0%** | **$ 59,656** | **100.0%** |

[1] Please refer to the basis of presentation for a description of the statutory legal entity view for Life.
[2] These assets support the International variable annuity business. Changes in these balances are also reflected in the respective liabilities.
[3] Includes a real estate joint venture.
[4] Primarily relates to derivative instruments.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## COMPOSITION OF INVESTED ASSETS
### PROPERTY & CASUALTY [1]

| | September 30, 2011 | | December 31, 2011 | | March 31, 2012 | | June 30, 2012 | | September 30, 2012 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Amount | Percent | Amount | Percent | Amount | Percent | Amount | Percent | Amount | Percent |
| Fixed maturities, available-for-sale, at fair value | $ 25,933 | 89.3% | $ 26,023 | 89.5% | $ 26,085 | 89.2% | $ 26,222 | 88.6% | $ 26,486 | 87.8% |
| Fixed maturities, at fair value using fair value option | 9 | - | 11 | - | 12 | - | 11 | - | 12 | - |
| Equity securities, available-for-sale, at fair value | 330 | 1.1% | 302 | 1.0% | 322 | 1.1% | 295 | 1.0% | 270 | 0.9% |
| Mortgage loans | 683 | 2.4% | 749 | 2.6% | 895 | 3.1% | 1,058 | 3.6% | 1,064 | 3.5% |
| Limited partnerships and other alternative investments [2] | 1,186 | 4.1% | 1,214 | 4.2% | 1,296 | 4.4% | 1,401 | 4.7% | 1,480 | 5.0% |
| Other investments [3] | 113 | 0.4% | 121 | 0.4% | 130 | 0.4% | 157 | 0.5% | 165 | 0.5% |
| Short-term investments | 792 | 2.7% | 658 | 2.3% | 526 | 1.8% | 466 | 1.6% | 705 | 2.3% |
| **Total investments** | **$ 29,046** | **100.0%** | **$ 29,078** | **100.0%** | **$ 29,266** | **100.0%** | **$ 29,610** | **100.0%** | **$ 30,182** | **100.0%** |
| ABS | $ 726 | 2.8% | $ 651 | 2.5% | $ 660 | 2.5% | $ 620 | 2.4% | $ 631 | 2.4% |
| CDOs | 516 | 2.0% | 519 | 2.0% | 660 | 2.5% | 663 | 2.5% | 672 | 2.5% |
| CMBS | 2,245 | 8.7% | 2,284 | 8.8% | 2,228 | 8.5% | 2,038 | 7.8% | 1,890 | 7.1% |
| Corporate | 10,309 | 39.7% | 10,292 | 39.5% | 9,708 | 37.2% | 9,458 | 36.1% | 9,590 | 36.2% |
| Foreign government/government agencies | 535 | 2.1% | 551 | 2.1% | 561 | 2.2% | 559 | 2.1% | 854 | 3.2% |
| Municipal - taxable | 141 | 0.5% | 154 | 0.6% | 334 | 1.3% | 349 | 1.3% | 365 | 1.4% |
| Municipal - tax-exempt | 9,015 | 34.8% | 9,053 | 34.8% | 9,101 | 34.9% | 9,276 | 35.4% | 9,369 | 35.5% |
| RMBS | 1,538 | 5.9% | 1,757 | 6.8% | 1,901 | 7.3% | 2,074 | 7.9% | 2,103 | 7.9% |
| U.S. Treasuries | 908 | 3.5% | 762 | 2.9% | 932 | 3.6% | 1,185 | 4.5% | 1,012 | 3.8% |
| **Total fixed maturities, AFS** | **$ 25,933** | **100.0%** | **$ 26,023** | **100.0%** | **$ 26,085** | **100.0%** | **$ 26,222** | **100.0%** | **$ 26,486** | **100.0%** |
| U.S. government/government agencies | $ 2,617 | 10.1% | $ 2,718 | 10.4% | $ 2,978 | 11.4% | $ 3,562 | 13.6% | $ 3,414 | 12.9% |
| AAA | 4,071 | 15.7% | 3,889 | 14.9% | 3,712 | 14.2% | 3,616 | 13.8% | 3,837 | 14.5% |
| AA | 7,423 | 28.6% | 7,487 | 28.8% | 7,412 | 28.4% | 7,160 | 27.3% | 7,000 | 26.4% |
| A | 5,785 | 22.3% | 5,525 | 21.3% | 5,199 | 19.9% | 5,183 | 19.7% | 5,336 | 20.1% |
| BBB | 5,461 | 21.1% | 5,652 | 21.7% | 5,889 | 22.7% | 5,846 | 22.3% | 5,929 | 22.4% |
| BB & below | 576 | 2.2% | 752 | 2.9% | 895 | 3.4% | 855 | 3.3% | 970 | 3.7% |
| **Total fixed maturities, AFS** | **$ 25,933** | **100.0%** | **$ 26,023** | **100.0%** | **$ 26,085** | **100.0%** | **$ 26,222** | **100.0%** | **$ 26,486** | **100.0%** |

[1] Please refer to the basis of presentation for a description of the statutory legal entity view for Property & Casualty.
[2] Includes a real estate joint venture and hedge fund investments outside of limited partnerships.
[3] Primarily relates to derivative instruments.

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## GROSS UNREALIZED LOSS AGING
## AVAILABLE-FOR-SALE SECURITIES

| | September 30, 2012 | | | December 31, 2011 | | |
|---|---|---|---|---|---|---|
| | Amortized Cost | Fair Value | Unrealized Loss [1] [2] | Amortized Cost | Fair Value | Unrealized Loss [1] [2] |
| **Total AFS Securities** | | | | | | |
| Three months or less | $ 2,834 | $ 2,735 | $ (99) | $ 3,933 | $ 3,672 | $ (261) |
| Greater than three months to six months | 285 | 266 | (19) | 2,617 | 2,517 | (100) |
| Greater than six months to nine months | 235 | 222 | (13) | 1,181 | 1,097 | (84) |
| Greater than nine months to eleven months | 64 | 62 | (2) | 106 | 95 | (11) |
| Twelve months or more | 9,731 | 8,397 | (1,295) | 11,613 | 9,324 | (2,218) |
| **Total** | **$ 13,149** | **$ 11,682** | **$ (1,428)** | **$ 19,450** | **$ 16,705** | **$ (2,674)** |

[1] As of September 30, 2012, fixed maturities, AFS, represented $1,364, or 96%, of the Company's total unrealized loss on AFS securities. The Company held no securities of a single issuer that were in an unrealized loss position in excess of 5% of the total unrealized loss amount as of September 30, 2012 and December 31, 2011.

[2] Unrealized losses exclude the change in fair value of bifurcated embedded derivative features of certain securities. Changes in fair value are recorded in net realized capital gains (losses).

# THE HARTFORD FINANCIAL SERVICES GROUP, INC.
## INVESTED ASSET EXPOSURES
### AS OF SEPTEMBER 30, 2012

| Top Ten Corporate and Equity, AFS, Exposures by Sector | Cost or Amortized Cost | Fair Value | Percent of Total Invested Assets [1] |
|---|---|---|---|
| Utilities | $ 8,206 | $ 9,257 | 8.6% |
| Financial services | 7,467 | 7,711 | 7.2% |
| Consumer non-cyclical | 5,524 | 6,300 | 5.9% |
| Basic industry | 4,107 | 4,515 | 4.2% |
| Technology and communications | 3,931 | 4,474 | 4.2% |
| Energy | 3,682 | 4,181 | 3.9% |
| Capital goods | 2,989 | 3,384 | 3.2% |
| Consumer cyclical | 2,299 | 2,577 | 2.4% |
| Transportation | 1,383 | 1,548 | 1.4% |
| Other | 309 | 364 | 0.3% |
| **Total** | **$ 39,897** | **$ 44,311** | **41.3%** |

| Top Ten Exposures by Issuer [2] | | | |
|---|---|---|---|
| Government of Japan [3] | $ 2,881 | $ 2,906 | 2.7% |
| State of California | 486 | 533 | 0.5% |
| National Grid PLC | 341 | 405 | 0.4% |
| AT&T Inc. | 310 | 394 | 0.4% |
| State of Illinois | 341 | 359 | 0.3% |
| State of Massachusetts | 285 | 327 | 0.3% |
| Caterpillar Inc | 285 | 326 | 0.3% |
| Pfizer Inc | 273 | 318 | 0.3% |
| General Electric Co | 343 | 291 | 0.3% |
| Verizon Communications Inc. | 238 | 282 | 0.3% |
| **Total** | **$ 5,783** | **$ 6,141** | **5.7%** |

[1] Excludes equity securities, trading.
[2] Excludes U.S. government and government agency securities, mortgage obligations issued by government sponsored agencies, cash equivalent securities, exposures resulting from derivative transactions and equity securities, trading.
[3] These securities are included in short-term investments, fixed maturities, available-for-sale, and fixed maturities, fair value option on the Company's Consolidating Balance Sheets.