



**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ See Attached Statement

Multiple horizontal lines for listing applicable Internal Revenue Code sections and subsections.

18 Can any resulting loss be recognized? ▶ See Attached Statement

Multiple horizontal lines for providing information regarding loss recognition.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See Attached Statement

Multiple horizontal lines for providing other necessary information for the adjustment.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature ▶ *Joseph Vaccaro* Date ▶ 08/14/2017

Print your name ▶ **Joseph Vaccaro** Title ▶ **Senior Vice President & Tax Director**

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶	Firm's EIN ▶		Phone no.	
Firm's address ▶				

**MetLife, Inc.**  
**EIN: 13-4075851**  
**Distribution of Brighthouse Financial, Inc. Common Stock**  
**Attachment to Form 8937**

**THE FOLLOWING DISCUSSION IS A SUMMARY OF MATERIAL U.S. FEDERAL INCOME TAX BASIS CONSEQUENCES OF THE DISTRIBUTION UNDER CURRENT LAW AND IS FOR GENERAL INFORMATION ONLY. THE INFORMATION CONTAINED HEREIN DOES NOT CONSTITUTE TAX ADVICE AND DOES NOT PURPORT TO BE COMPLETE OR TO DESCRIBE THE CONSEQUENCES THAT MAY APPLY TO PARTICULAR CATEGORIES OF SHAREHOLDERS.**

**SHAREHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISOR WITH RESPECT TO THE U.S. FEDERAL, STATE AND LOCAL AND FOREIGN TAX CONSEQUENCES OF THE DISTRIBUTION.**

**Part II.**

**Line 14-Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.**

On August 4, 2017, MetLife, Inc. ("MetLife") distributed pro rata 80.8% of the issued and outstanding shares of common stock of Brighthouse Financial, Inc. ("BHF") to MetLife's common stock shareholders ("the Distribution"). In the Distribution, MetLife distributed one share of BHF common stock for every 11 common shares of MetLife. Fractional shares of BHF common stock were not directly distributed to MetLife's shareholders; instead, fractional shares that MetLife shareholders would otherwise have been entitled to receive were aggregated and sold in the public market by a distribution agent, and the net cash proceeds of these sales were distributed pro rata (based on the fractional share such shareholder would otherwise have been entitled to receive) to those shareholders who would otherwise have been entitled to receive fractional shares.

The MetLife trading symbol is "MET" while the "BHF" trading symbol is used by Brighthouse Financial, Inc.

**Line 15-Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.**

As a result of the Distribution, MetLife shareholders will be required to allocate their aggregate tax basis in their MetLife common stock held immediately prior to the Distribution among the shares of BHF common stock received in the Distribution (including any fractional share of BHF common stock for which cash was received) and the MetLife common stock in respect of which such BHF common stock was received in proportion to their respective fair market values immediately after the Distribution.

**Line 16-Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.**

The U.S. federal income tax laws provide that the allocation of the aggregate tax basis discussed under Line 15 above shall be allocated based on the respective fair market values of the resulting MetLife and BHF shares received. However, the tax law does not provide any further guidance on the determination of fair market value. One method to determine the fair market value is to utilize the New York Stock Exchange market closing price on August 7, 2017, the first trading day after the Distribution, for MetLife common stock (**\$48.53 per share**), and the NASDAQ Stock Market LLC market closing price on August 7, 2017 for BHF common stock (**\$61.72 per share**). Based on that approach and the assumptions and calculations set forth below, **89.6365%** of a MetLife stockholder's aggregate tax basis in his or her shares of MetLife common stock prior to the Distribution would be allocated to such stockholder's shares of MetLife common stock and **10.3635%** would be allocated to such stockholder's shares of BHF common stock. Other valuation methodologies may exist, however, and we urge you to consult your tax advisor regarding these basis allocation calculations.

**EXAMPLE:** The following is an example of how the approach to basis allocation described above would be applied.

**Assumptions:** Shares of MetLife common stock owned: 110

Starting tax basis of MetLife shares: \$20 per share

Aggregate tax basis for MetLife shares: \$2,200 (110 shares x \$20 per share)

Shares of BHF common stock received in the Distribution (110 shares of MetLife common stock multiplied by the distribution ratio of 1/11): 10

Number of Shares		Pre Distribution Aggregate Tax Basis	Closing Price on August 7, 2017	FMV of Shares Owned Post Distribution	Percentage of Total FMV (B)	Allocated Tax Basis (A) x (B)
MetLife Common Stock	110	\$2,200.00	\$48.53	\$5,338.30 <sup>1</sup>	89.6365% <sup>3</sup>	\$1972.00
BHF Common Stock	10	-	\$61.72	\$617.20 <sup>2</sup>	10.3635% <sup>4</sup>	\$228.00
Total		\$2,200.00 (A)		\$5955.50	100.0000%	\$2,200.00
<sup>1</sup> 110 shares x \$48.53 per share <sup>2</sup> 10 shares x \$61.72 per share <sup>3</sup> \$5,338.30/\$5,955.50 <sup>4</sup> \$617.20/\$5,955.50						

Shareholders that have acquired different blocks of MetLife common stock at different times or at different prices should consult their tax advisor regarding the allocation of their aggregate basis among MetLife and BHF common stock.

**Line 17-List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.**

The tax treatment above is generally governed by sections 355, 358 and 368 of the Internal Revenue Code (the “Code”) and the Treasury regulations promulgated thereunder. The tax treatment to each shareholder who received cash in lieu of a fractional share is determined pursuant to sections 1001, 1221, and 1222 of the Code.

**Line 18-Can any resulting loss be recognized?**

MetLife intends for the Distribution to qualify as a “reorganization” under section 355 and 368(a)(1)(D) of the Code. Assuming that this characterization is respected, MetLife shareholders generally will not recognize any loss on the Distribution for U.S. federal income tax purposes (except to the extent that a loss may be recognized with respect to any cash received in lieu of fractional shares of BHF common stock).

**Line 19-Provide any other information necessary to implement the adjustment, such as the reportable tax year.**

The distribution of BHF common stock occurred on August 4, 2017. As a result, the basis adjustment in the shares of MetLife common stock and BHF common stock should be reported in the taxable year that includes this date. In the case of shareholders who are calendar year taxpayers, such adjustment should be reported in the taxable year ending December 31, 2017.