The Hartford Financial Services Group, Inc.
February 2, 2017

FOURTH QUARTER 2016 FINANCIAL RESULTS PRESENTATION

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Safe harbor statement

Certain statements made in this presentation should be considered forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. These include statements about The Hartford's future results of operations. We caution investors that these forward-looking statements are not guarantees of future performance, and actual results may differ materially. Investors should consider the important risks and uncertainties that may cause actual results to differ, including those discussed in The Hartford's news release issued on February 2, 2017, The Hartford's Quarterly Reports on Form 10-Q, The Hartford's 2015 Annual Report on Form 10-K, and other filings we make with the U.S. Securities and Exchange Commission. We assume no obligation to update this presentation, which speaks as of today's date.

The discussion in this presentation of The Hartford's financial performance includes financial measures that are not derived from generally accepted accounting principles (GAAP). Information regarding these non-GAAP financial measures, including reconciliations to the most directly comparable GAAP financial measures, is provided in the news release issued on February 2, 2017 and The Hartford's Investor Financial Supplement for fourth quarter 2016 which is available at the Investor Relations section of The Hartford's website at **https://ir.thehartford.com**.

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CONSOLIDATED 4Q16 RESULTS AND 2017 KEY BUSINESS METRICS OUTLOOK

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4Q16 key financial highlights

Earnings	▪ Net loss per diluted share of $0.22, including charge for the reinsurance agreement covering U.S. A&E[1] ▪ Core EPS[2,3] of $1.08, up 1% from 4Q15
BVPS and ROE	▪ BVPS, ex. AOCI[2,4], up 3% over Dec. 31, 2015 to $45.24 ▪ Twelve month core earnings ROE[2,5] excluding Talcott of 8.9%; 10.3% excluding charge for A&E PYD[6]
Commercial Lines	▪ Underlying combined ratio[2,7] of 88.2, flat with 4Q15 ▪ Strong workers' compensation results offset by commercial auto
Personal Lines	▪ Underlying combined ratio of 101.8, up 8.3 points from 4Q15 reflecting higher auto liability losses partially offset by lower expenses ▪ Auto new business premium declined 58%
Group Benefits	▪ Core earnings[2] of $59 million, up 48% from 4Q15 ▪ 6.5% core earnings margin[2], up from 4.6% in 4Q15
Capital Management	▪ Repurchased 6.1 million shares for $280 million during 4Q16 and completed the $4.375 billion authorization that expired Dec. 31, 2016 ▪ Current equity repurchase plan of $1.3 billion effective through Dec. 31, 2017

1. Asbestos and environmental (A&E) 2. Denotes financial measure not calculated based on generally accepted accounting principles (GAAP) 3. Earnings per diluted share 4. Book value per diluted share, excluding accumulated other comprehensive income 5. Return on equity 6. Prior accident year development (PYD) 7. Combined ratio before catastrophes (CATs) and PYD

4Q16 core EPS of $1.08, up 1% compared with 4Q15

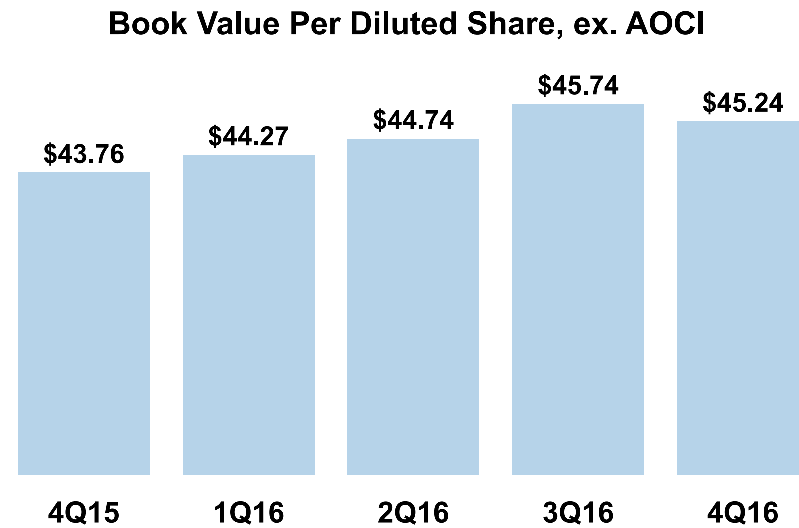
- Core EPS of $1.08 compared with $1.07 in 4Q15 as the 8% decrease in common shares outstanding more than offset the 7% decline in core earnings
- Primary drivers of core earnings decline:
  - P&C underwriting gain[4] of $49 million, after-tax, down $102 million from 4Q15 primarily due to the following items, offset in part by lower expenses:
    - A $69 million, after-tax, increase in Personal Lines current accident year (CAY) losses, before CATs, primarily due to higher auto loss costs
    - Unfavorable PYD of $31 million, after-tax, compared with favorable PYD of $8 million, after-tax, in 4Q15
    - 4Q16 CAT losses of $40 million, after-tax, up from $22 million, after-tax, in 4Q15
  - Partially offset by higher net investment income primarily from a $40 million, after-tax, increase in limited partnerships and other alternative investments (LP)

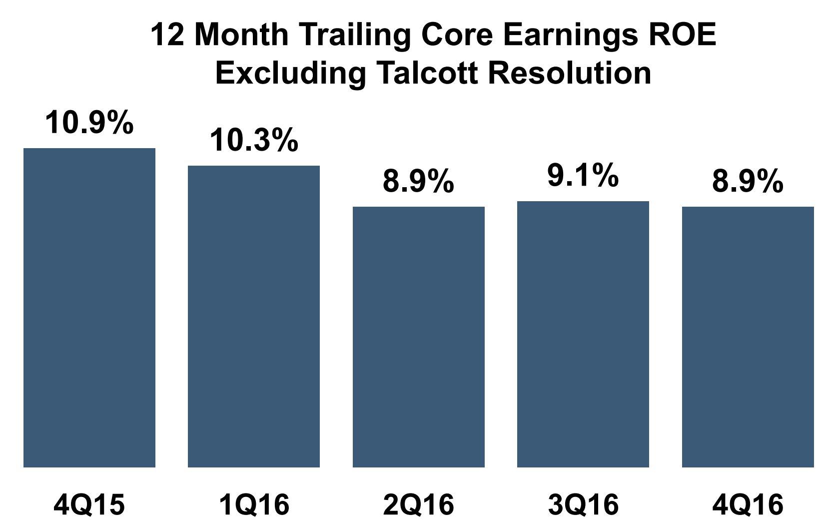
Core Earnings (Losses) By Segment ($ in millions except per diluted share amounts)	4Q15	4Q16	Change [3]
Commercial Lines	$289	$277	(4%)
Personal Lines	51	(17)	NM
P&C Other Operations	18	15	(17%)
Group Benefits	40	59	48%
Mutual Funds	20	17	(15%)
Sub-total	**$418**	**$351**	(16%)
Talcott Resolution	83	111	34%
Corporate	(56)	(47)	16%
Core earnings	**$445**	**$415**	**(7%)**
Net realized capital losses [1]	(90)	(60)	33%
Unlock benefit (charge), after-tax	35	(12)	NM
Income tax benefit from reduction in valuation allowance	34	—	(100%)
Loss on reinsurance transaction, after-tax	—	(423)	—
Restructuring and other costs, after-tax	(3)	(1)	67%
Net income (loss)	**$421**	**$(81)**	**NM**
Core EPS	**$1.07**	**$1.08**	**1%**
Net income (loss) per diluted share	**$1.01**	**$(0.22)**	**NM**
Wtd. avg. diluted shares outstanding[2]	415.9	383.8	(8%)

1. Net realized capital gains (losses), after-tax and deferred acquisition costs (DAC), excluded from core earnings
2. In millions
3. The Hartford defines increases or decreases greater than or equal to 200%, or changes from a net gain to a net loss position, or vice versa, as "NM" or not meaningful
4. Denotes financial measure not calculated based on GAAP

Book value per diluted share, ex. AOCI, of $45.24, up 3% from Dec. 31, 2015

- $45.24 BVPS, ex. AOCI, at Dec. 31, 2016
  - Up 3% from Dec. 31, 2015
- $44.35 BVPS, including AOCI, at Dec. 31, 2016
  - Up 3% from Dec. 31, 2015
- Including dividends, total value creation of 5.3% over last 12 months
- Common shares outstanding and dilutive potential common shares decreased 8% in 2016 due to share repurchases
- 4Q16 share repurchases totaled $280 million for 6.1 million shares (average $45.66 per share)
  - Through Jan. 31, 2017, 1Q17 share repurchases total 2.3 million shares for $110 million (average $48.43 per share); approximately $1.2 billion remaining under the current plan



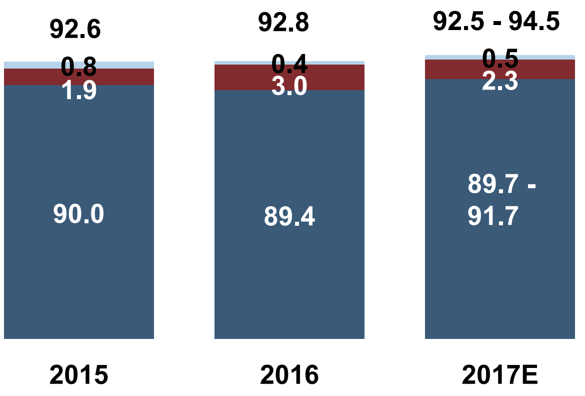


2017 key business metrics outlook

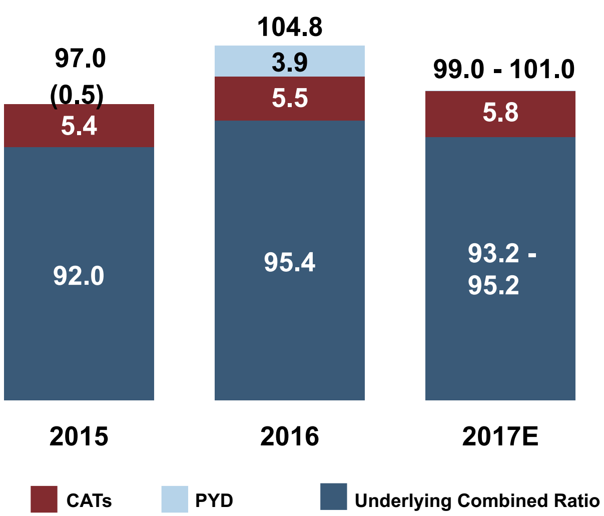
($ in millions)	2016 Actual	2017 Outlook
Key business metrics:		
Commercial Lines combined ratio[1,2]	92.8	92.5 - 94.5
Personal Lines combined ratio[1]	104.8	99.0 - 101.0
P&C current accident year catastrophe loss ratio[1]	3.9	3.5
P&C net investment income, before tax, excluding LPs[3]	$1,078	$975 - $1,025

1. *2017 outlook includes total P&C catastrophe loss ratio of 3.5, or 2.3 points in Commercial Lines and 5.8 points in Personal Lines; catastrophes vary by quarter due to the seasonality of weather trends. P&C CAT ratio equates to approximately $370 million, before tax, in 2017 or $80 million in 1Q17, $130 million in 2Q17, $100 million in 3Q17 and $60 million in 4Q17*
2. *Commercial Lines outlook also includes 0.5 point of unfavorable PYD from the accretion of discount on workers' compensation loss reserves*
3. *A reconciliation to P&C net investment income, before tax, is not calculable on a forward-looking basis because net investment income on LPs has historically been volatile due to capital markets, real estate sales, and other factors, and therefore it is not possible to provide a reliable forecast of net investment income on LPs*

Commercial Lines Combined Ratio



Personal Lines Combined Ratio



BUSINESS SEGMENT 4Q16 RESULTS

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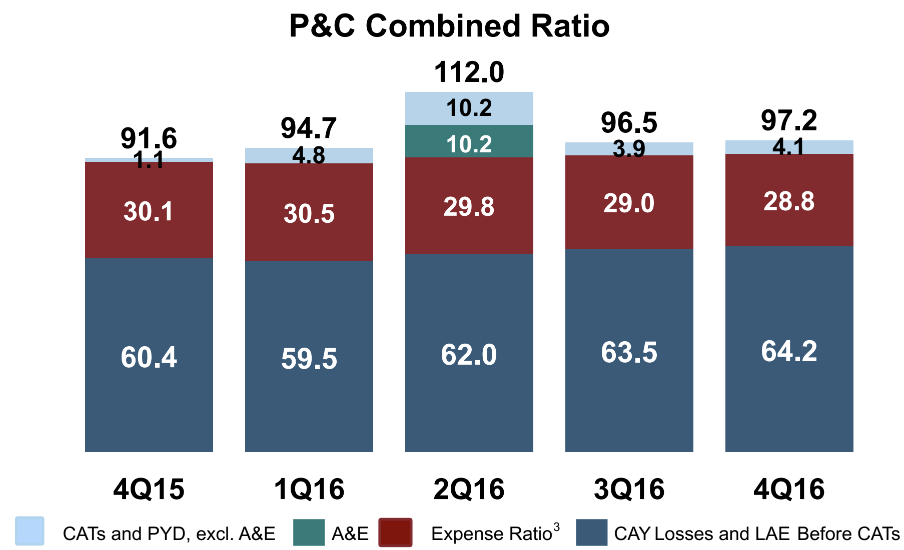
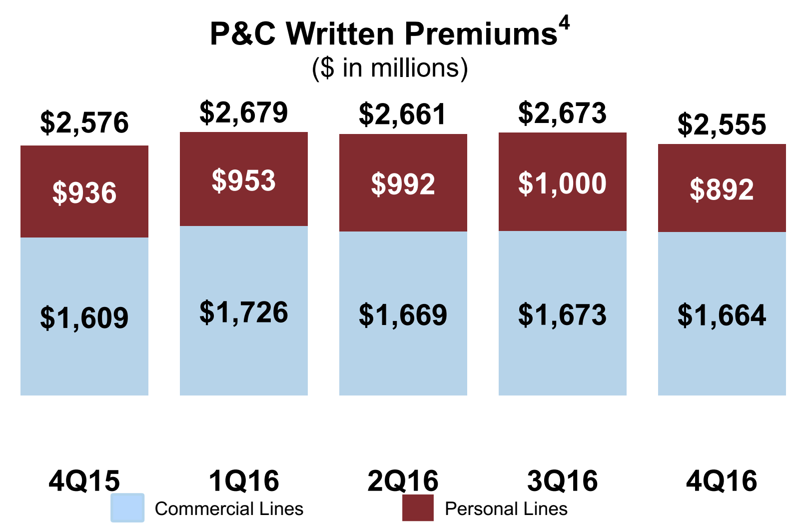
P&C[1] underlying combined ratio deteriorated 2.6 points primarily due to personal auto, partially offset by reduced expenses

- P&C combined ratio of 97.2, 5.6 points higher than 4Q15 reflecting:
  - CAY loss and LAE[2] before CATs up 3.8 points
  - Unfavorable PYD up 2.0 points
  - CATs up 1.0 point
  - Partially offset by expense ratio improvement of 1.3 points
- P&C underlying combined ratio was 93.1, 2.6 points higher than 4Q15
  - Personal Lines underlying combined ratio up 8.3 points due to auto
  - Commercial Lines underlying combined ratio flat to 4Q15

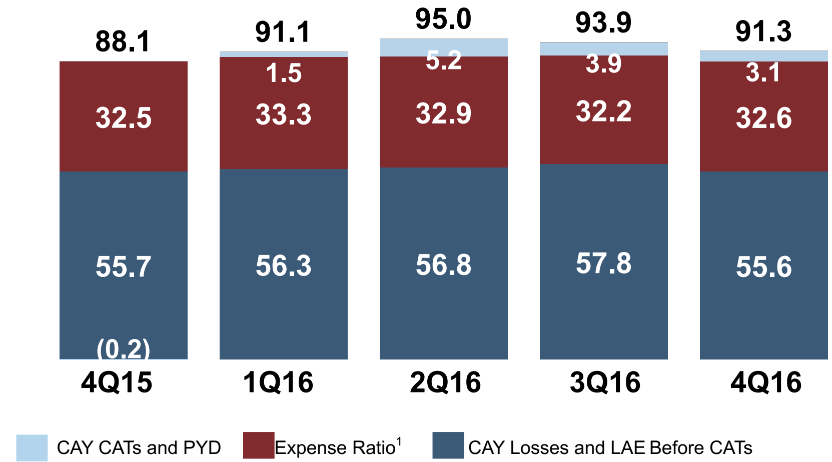


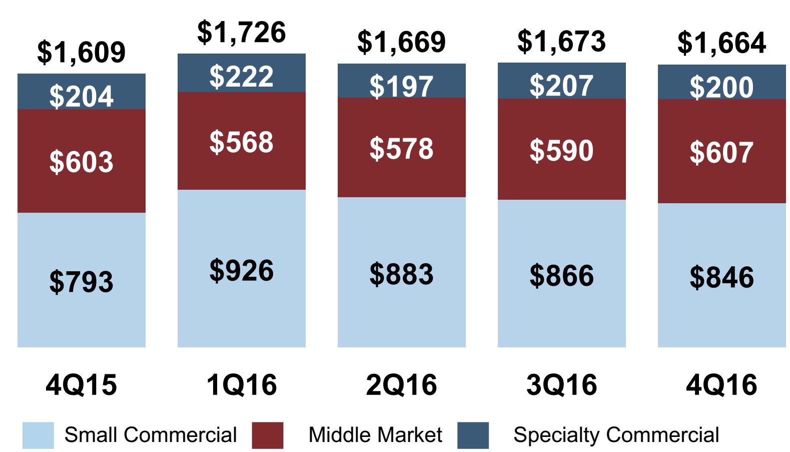


1. *P&C consists of the Commercial Lines, Personal Lines and P&C Other segments*
2. *Loss adjustment expenses*
3. *Expense ratio includes policyholder dividends*
4. *Total P&C written premiums include P&C Other segment*

Commercial Lines: Maintained strong underwriting margins

- Combined ratio was 91.3, 3.2 points higher than 4Q15, reflecting:
  - Unfavorable PYD up 2.2 points principally due to commercial auto liability
  - Higher CAT losses of 1.9 points versus 0.8 point in 4Q15 primarily due to Hurricane Matthew
  - CAY combined ratio flat as improvement in workers' compensation offset by commercial auto
- Written premiums up 3% over 4Q15
  - Small Commercial rose 7%, including Maxum
  - Middle Market up 1%
  - Specialty Commercial declined 2%
- Underlying combined ratio flat with 4Q15; by businesses:
  - Small Commercial deteriorated 0.9 point
  - Middle Market improved 0.1 point
  - Specialty Commercial improved 3.3 points

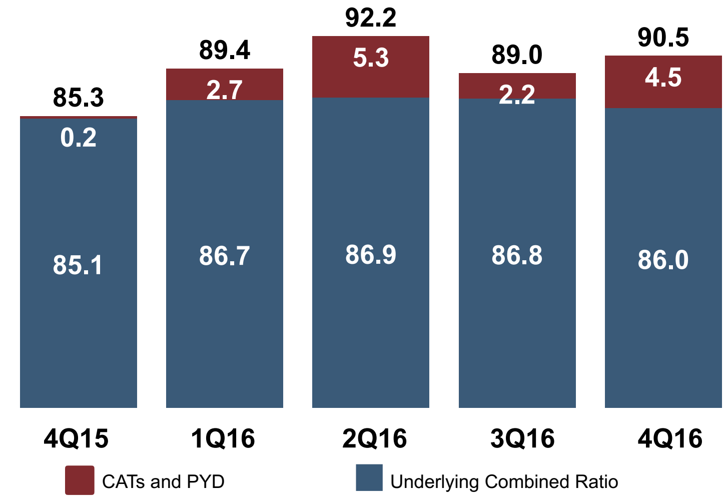


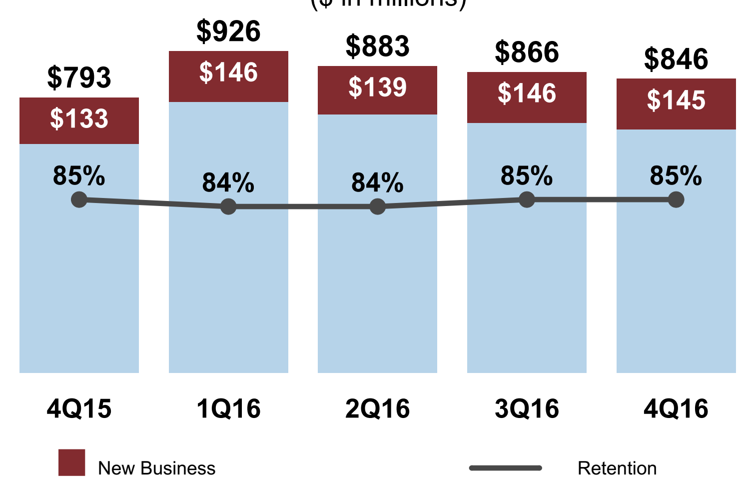


1. *Expense ratio includes policyholder dividends*
2. *Commercial Lines written premiums include immaterial amounts from Other Commercial*

Small Commercial: Higher auto and property losses partially offset by improved workers' compensation results

- Underlying combined ratio was 86.0, a 0.9 point deterioration from 4Q15 due to:
  - Higher auto and property losses
  - Partially offset by improved workers' compensation losses and lower expense ratio
- Written premiums increased 7% over 4Q15, including Maxum; 4% excluding Maxum
  - New business premium of $145 million, up 9%, including Maxum
  - Policy count retention remained strong at 85%
  - Renewal written price[1] increases averaged 4%



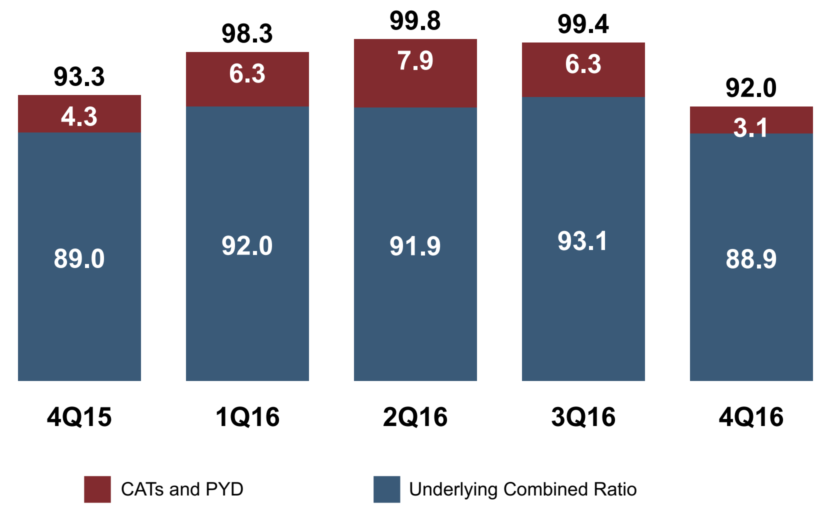


1. *Renewal written price statistics are subject to change from period to period, based on a number of factors, including changes in actuarial estimates, the effect of subsequent cancellations and non-renewals on rate achieved, and modifications made to better reflect ultimate pricing achieved*

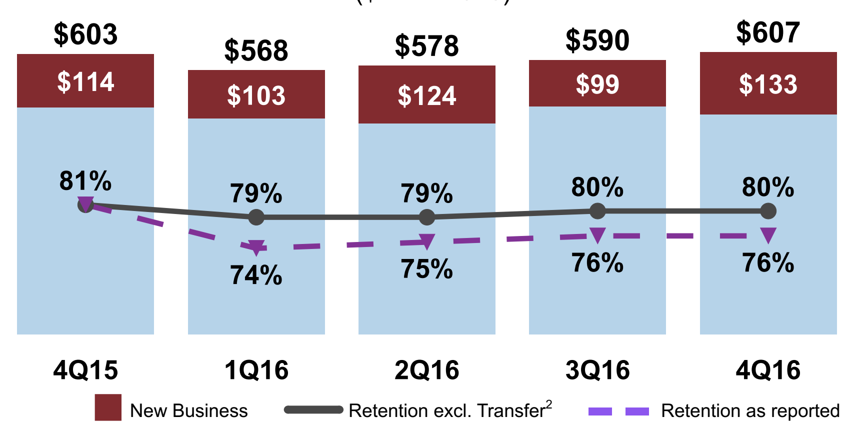
Middle Market: Improved underwriting profitability

- Underlying combined ratio of 88.9 improved 0.1 point compared with 4Q15 due to workers' compensation, offset by higher auto losses
- Written premiums up 1% compared with 4Q15
  - Renewal written price increases[1] flat
  - New business premium of $133 million, up 17%
  - Policy count retention, excluding the transfer of low premium accounts to Small Commercial, was 80%, down 1 point from 4Q15 and stable with 3Q16

Middle Market Combined Ratio



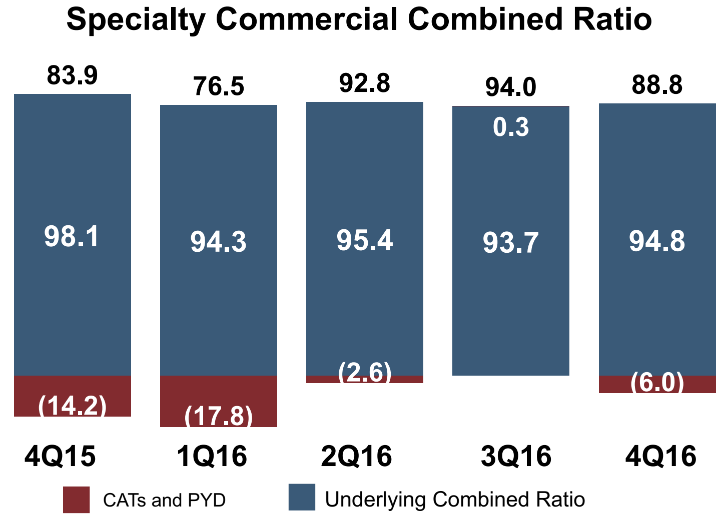
Middle Market Written Premiums & Retention
($ in millions)

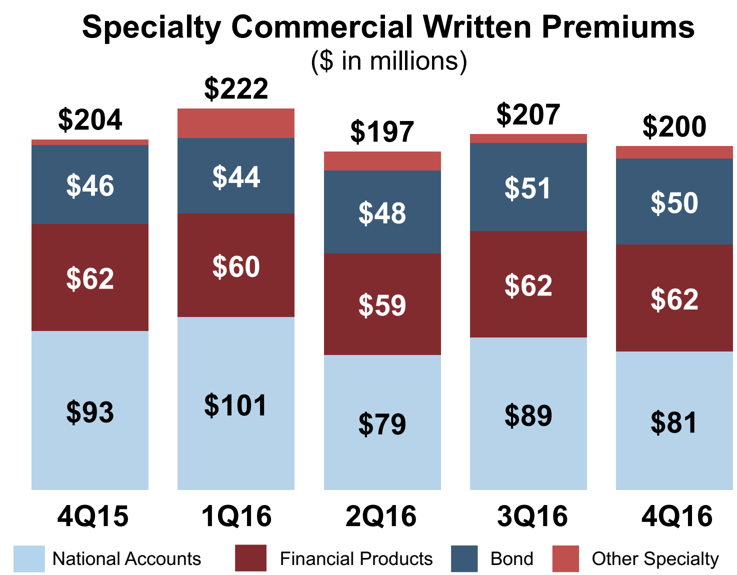


1. *Excludes Middle Market specialty programs and livestock lines of business*
2. *Normalized retention rate for the effect of including certain low premium policies transferred from Middle Market to Small Commercial. The transfer did not have a significant impact on policy count retention in Small Commercial*

Specialty Commercial: Continued strong underwriting results

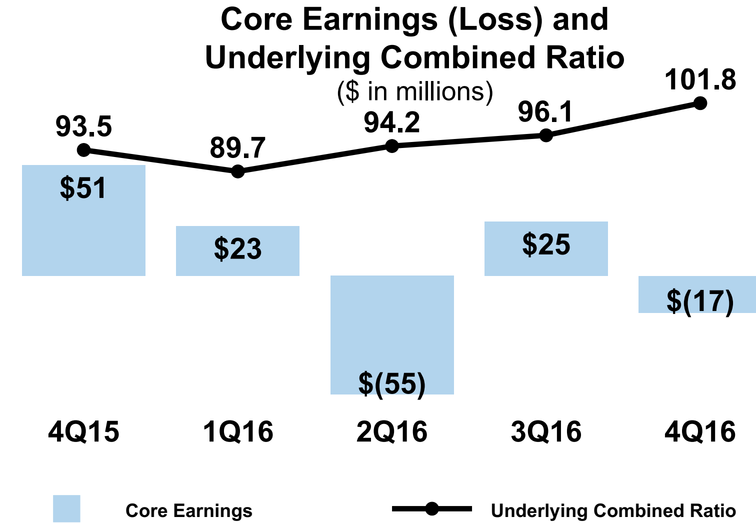
- 4Q16 underlying combined ratio improved 3.3 points over 4Q15 to 94.8 due to better underwriting results in National Accounts, Financial Products and Bond

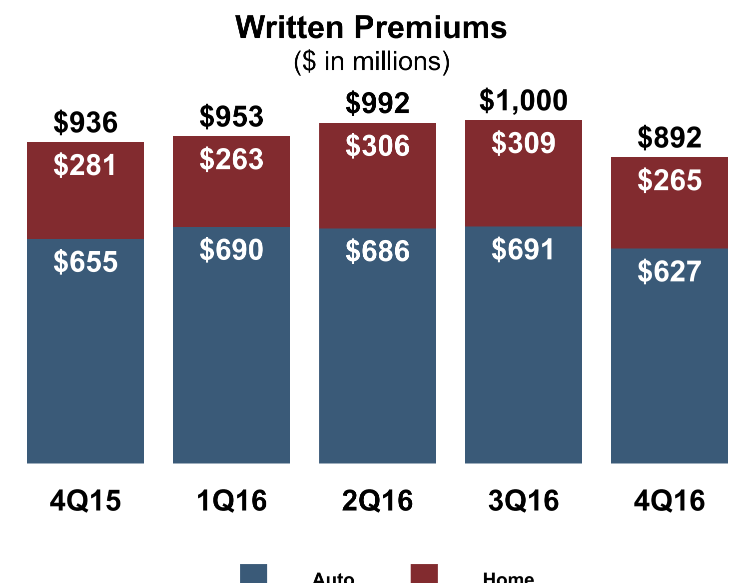




Personal Lines: Core loss due to higher auto bodily injury liability losses partially offset by reduced expenses

- Core loss principally due to higher auto liability losses and PYD and higher CATs, partially offset by reduced expenses and higher investment income on LPs
  - Unfavorable PYD of $20 million in 4Q16, primarily due to auto liability for 2015 accident year compared with favorable PYD of $3 million in 4Q15
  - CATs of $28 million, before tax, or 2.9 points, in 4Q16 compared with $21 million, before tax, or 2.1 points, in 4Q15
- Underlying combined ratio increased 8.3 points to 101.8 due to higher auto liability losses and higher fire losses, partially offset by a 3.5 point improvement in the underwriting expense ratio due to lower direct marketing spending
  - A portion of the auto deterioration in 4Q16 was related to the first three accident quarters of 2016, as auto liability severity trends that emerged in 4Q16 were higher than that observed in the first nine months of 2016
- Written premiums down 5% over 4Q15 and new business premiums down 57%



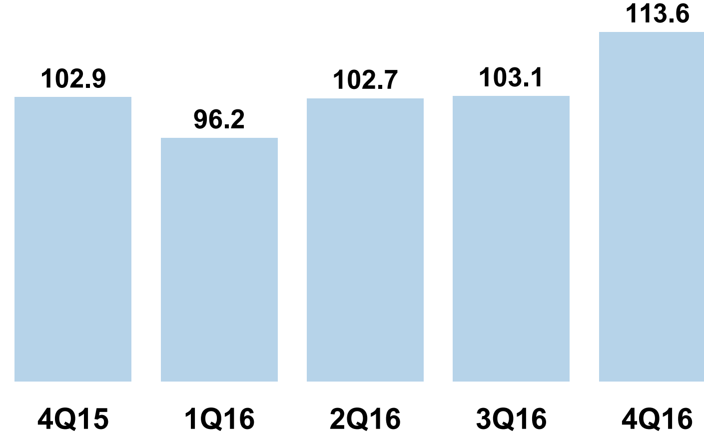


Personal Lines Auto: Lower underwriting results due to higher current accident year losses and adverse PYD

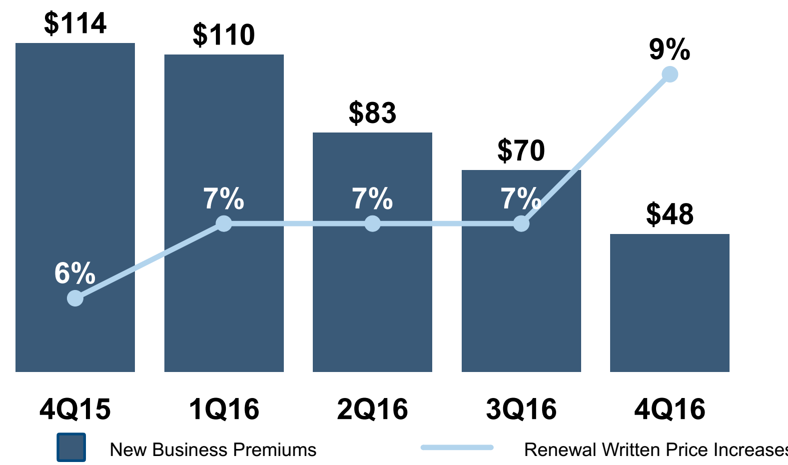
- Underlying combined ratio of 113.6, up 10.7 points over 4Q15 due to higher auto liability losses partially offset by lower expenses
  - 4Q15 underlying combined ratio of 102.9 does not include the impact of 2016 unfavorable PYD on the 2015 auto accident year
  - Unfavorable PYD in 2016 for accident year 2015 increased the full year 2015 accident year auto loss ratio by approximately 5.4 points; the unfavorable PYD was largely for the second half of 2015 and reflected elevated frequency and severity as developed
- Approximately 6 points of the auto deterioration in 4Q16 was related to the first three accident quarters of 2016
  - Auto liability severity trends that emerged in fourth quarter 2016 were higher than the trends observed in the first nine months of 2016

Automobile written premiums down 4% due to profitability improvement initiatives
  - New business premiums down 58%
  - Renewal written pricing increased 3 points to 9%
  - Policy count retention down 1 point to 83%

Automobile Underlying Combined Ratio



Automobile New Business Premiums and Renewal Written Price Increases



Personal Lines Auto: Profitability improvement initiatives impact new written premium

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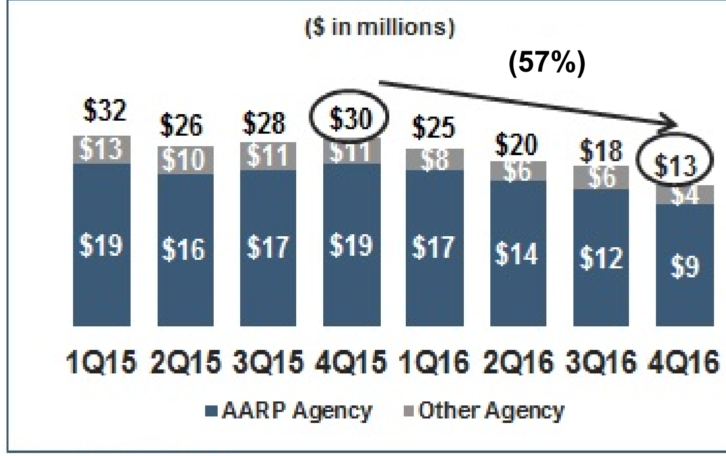
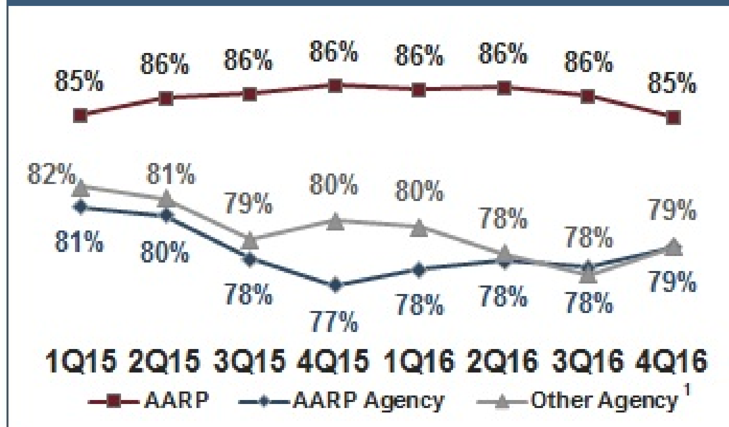
- Multiple profitability improvement initiatives underway including pricing, underwriting, agency management and expenses
- As a result of profitability improvement initiatives, 4Q16 auto new business declined 58% versus 4Q15 and 31% versus 3Q16
- Within AARP Direct:
  - Reduced new business premium 57%
  - Policy count retention largely stable at 85% compared with 4Q15 and 3Q16
- In Agency channels:
  - 53% decrease in AARP Agency new written premium and 64% in Other Agency
  - Policy count retention versus 4Q15 up 1.7 points in AARP Agency and down 1.2 points in Other Agency

Agency Auto New Written Premium

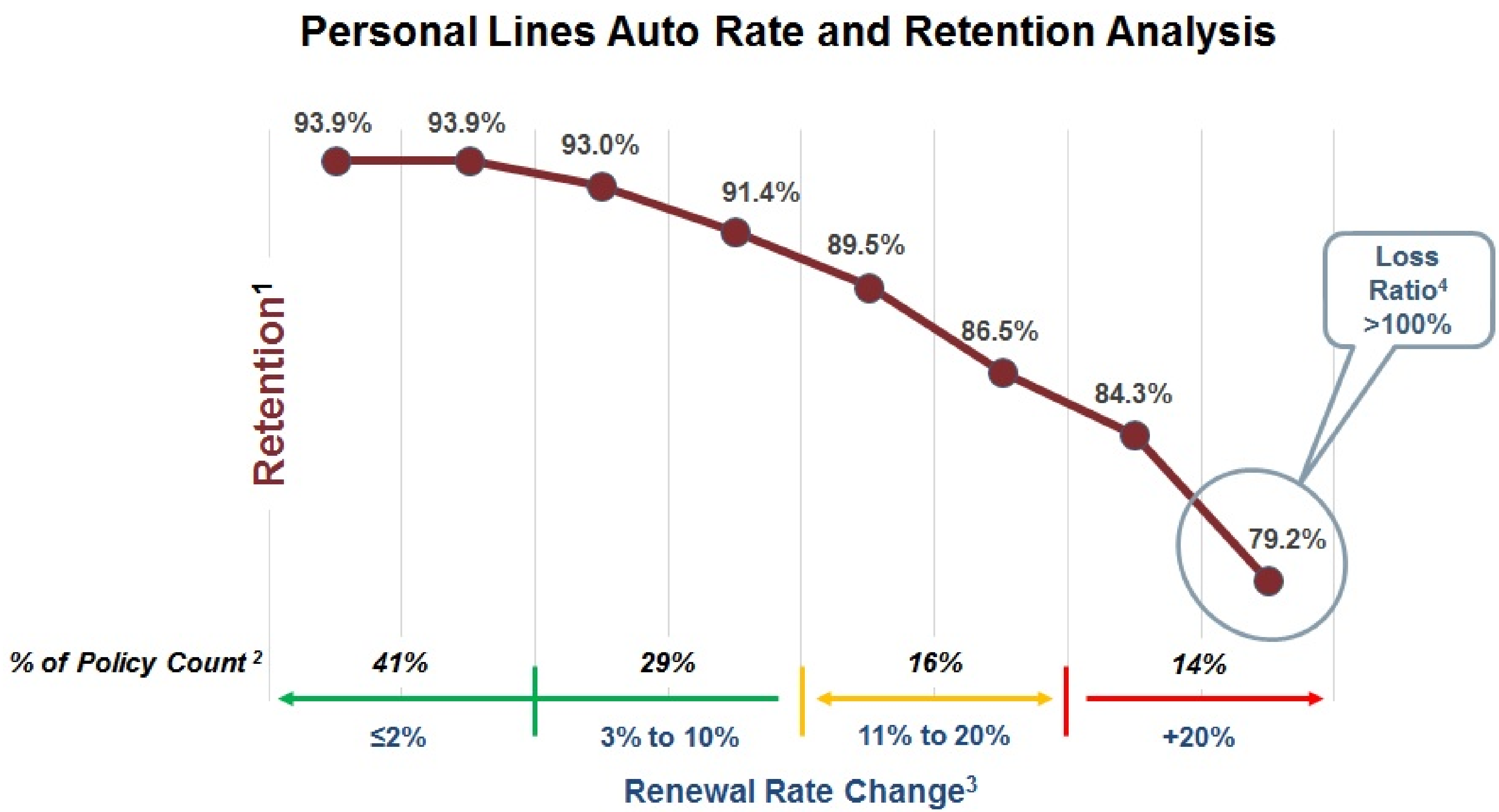


Policy Count Retention



1. *Includes policies that are available to renew on either a six or twelve month policy term. The policy retention represents the percentage of policies that renewed since the last policy term and is not annualized*

Personal Lines Auto: Using pricing segmentation to re-price under-performing business and retain profitable segments

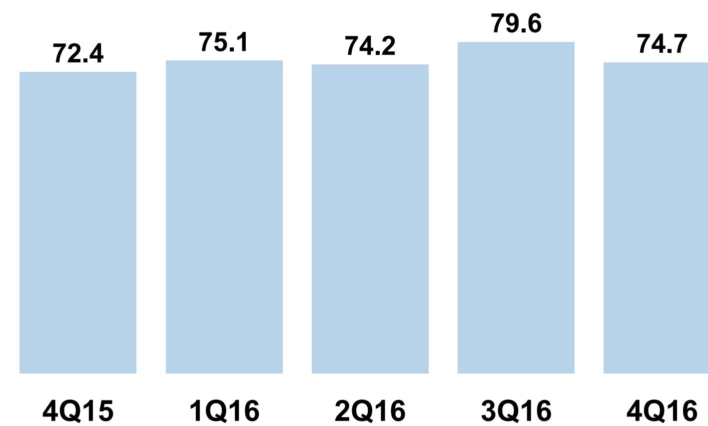


1. Policies in force 60 days after renewal effective date divided by policies available to renew
2. Auto policies renewing between January and November 2016
3. [Renewal premium divided by expiring premium (adjusted for policy exposure changes)] minus 1
4. Ultimate loss ratio, excluding LAE, for the 12 month period prior to renewal

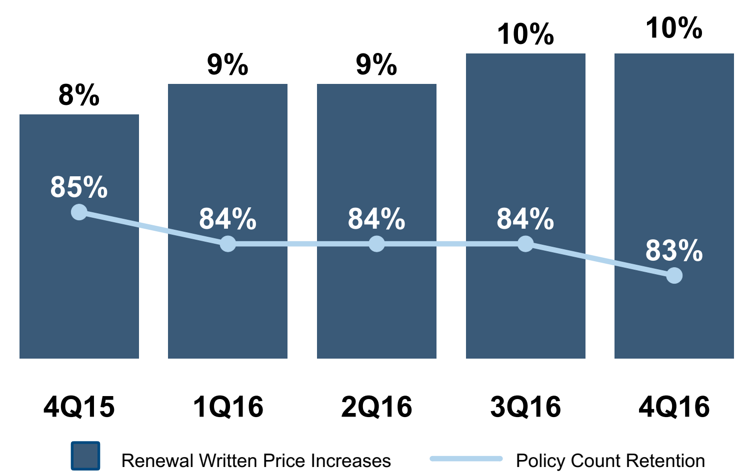
Personal Lines Homeowners: Underlying combined ratio up 2.3 points primarily due to large fire losses

- 4Q16 homeowners combined ratio of 80.9, an increase of 4.0 points over 76.9 in 4Q15 primarily due to large fire losses and higher CATs, partially offset by reduced expenses and increased favorable PYD
  - 4Q16 CATs of $24 million, before tax, primarily from Hurricane Matthew
- Underlying combined ratio of 74.7 increased 2.3 points compared with 4Q15 primarily due to large fire losses, partially offset by lower expense ratio
- Homeowners written premiums were down 6% compared with 4Q15 reflecting lower new business and retention as a result of profitability improvement initiatives for auto
  - Renewal written price increases averaged 10%, up 2 points
  - Policy count retention was 83%, down 2 points
  - New business premiums declined 52%

Homeowners Underlying Combined Ratio



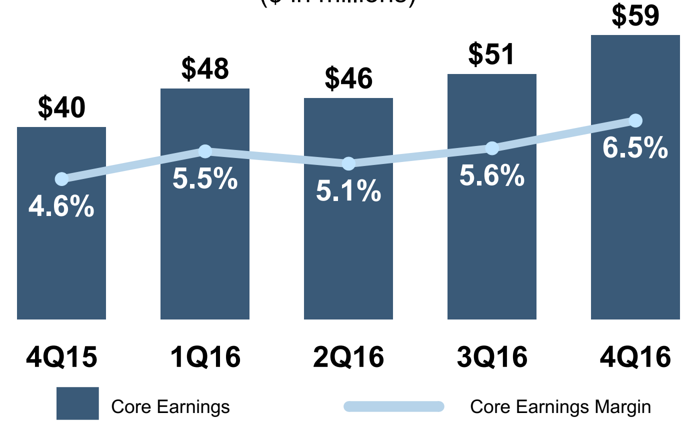
Homeowners Renewal Written Price Increases and Policy Count Retention



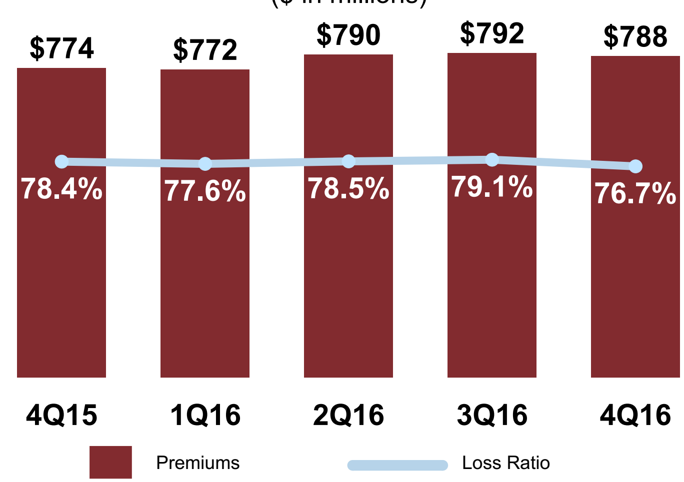
Group Benefits: Core earnings of $59 million, up 48% from 4Q15

- Core earnings of $59 million, a $19 million increase from 4Q15
  - 6.5% core earnings margin up from 4.6% in 4Q15
- 4Q16 loss ratio of 76.7% improved 1.7 points compared with 4Q15
  - Group life loss ratio improved 5.4 points to 70.6% largely resulting from favorable changes in reserve estimates
  - Group disability loss ratio of 84.0% increased 1.1 points due to higher severity, partially offset by favorable recoveries, increased pricing and slightly improved incidence
- 4Q16 expense ratio improved 0.8 points to 25.2% from 26.0% in 4Q15 reflecting increased premiums and lower operating expenses
- Fully insured ongoing premiums up 2%
  - Driven by strong persistency and increased pricing
  - 4Q16 fully insured ongoing sales were $43 million, down 10% compared with 4Q15

Core Earnings and Core Earnings Margin
($ in millions)



Fully Insured Ongoing Premiums[1] & Loss Ratio
($ in millions)

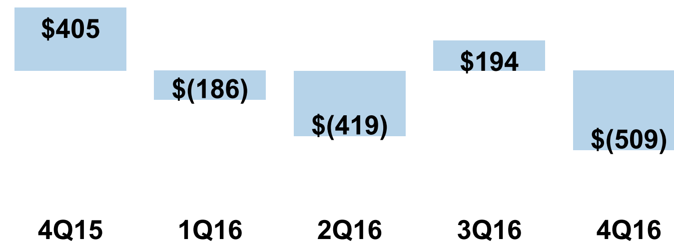


1. *Excludes buyout premiums*

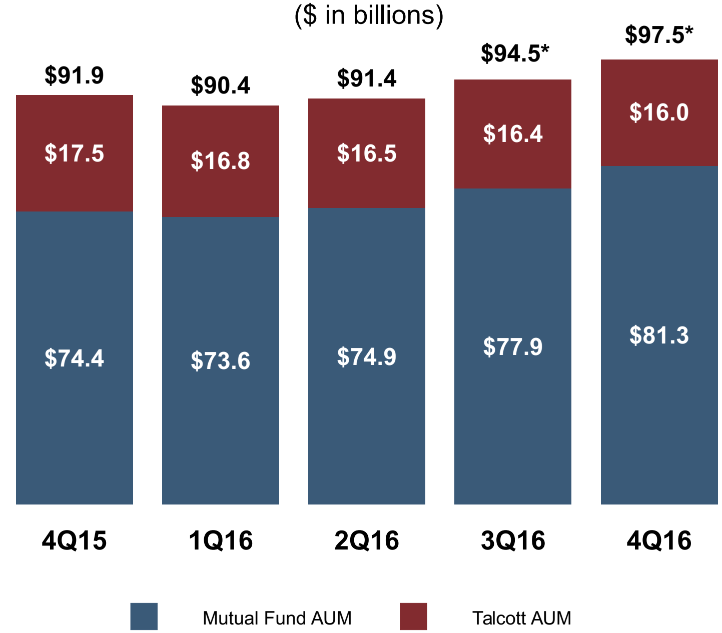
Mutual Funds: Core earnings down primarily due to transaction-related expenses

- Core earnings of $17 million down from $20 million in 4Q15 primarily due to transaction expenses related to the acquisition of Lattice Strategies and the adoption of 10 Schroders mutual funds
- Performance remains solid as 63%, 66% and 77% of funds outperformed peers on a 1-, 3- and 5-year basis[2], respectively
- 4Q16 net flows were negative at $509 million
- Excluding Talcott Resolution, Mutual Fund assets under management (AUM) increased 9% from 4Q15 to $81.3 billion principally due to market appreciation and the adoption of $3.0 billion in Schroders funds
  - Talcott Resolution AUM[1] declined 9% since 4Q15 reflecting continued runoff of variable annuity (VA) contract counts

Mutual Fund[3] Net Flows
($ in millions)



Mutual Funds Segment AUM[4]
($ in billions)



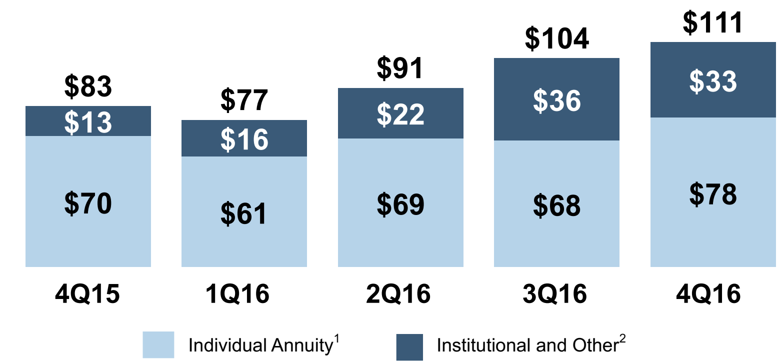
1. *Consists of mutual fund assets held in separate accounts supporting variable insurance and investment products*
2. *Hartford Mutual Funds (HMF) only on Morningstar net of fees basis at Dec. 31, 2016*
3. *Mutual funds sold through retail, bank trust, registered investment advisor and 529 plan channels*
4. *Includes Mutual Fund, Talcott and Exchange-Traded Products (ETP) AUM as of end of period*

* *Total AUM including ETPs*

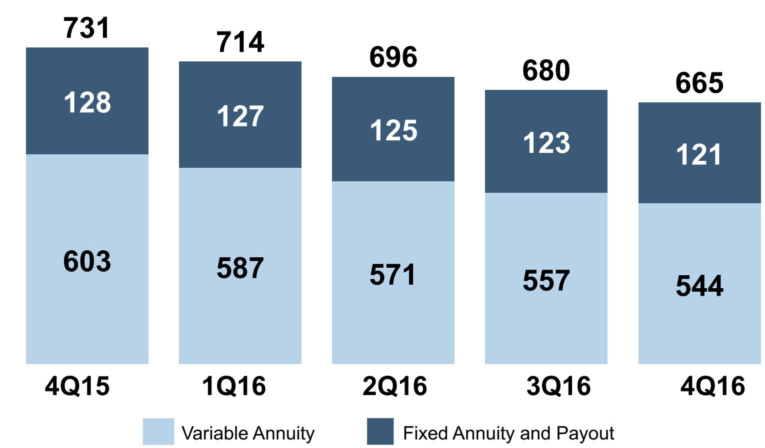
Talcott Resolution: VA and fixed annuity contract counts declined 10% and 5%, respectively, since Dec. 31, 2015

- Core earnings of $111 million increased from $83 million in 4Q15, primarily due to higher net investment income from LPs and a tax benefit from the conclusion of a prior year federal tax audit
- The decline in annuity contract counts since Dec. 31, 2015 reflects normal runoff activity
  - VA contract counts decreased 10% since Dec. 31, 2015
  - Fixed annuity contract counts decreased 5% since Dec. 31, 2015
  - Institutional covered lives of approximately 117,000 declined 3% since Dec. 31, 2015
- Statutory surplus was $4.4 billion at Dec. 31, 2016
  - Down from $5.0 billion at Dec. 31, 2015 due to $750 million of dividends paid in 2016
  - Expected dividend of $600 million in 2017:
    - $300 million dividend paid in January 2017
    - Intend to request another $300 million in the second half of 2017

Talcott Resolution Core Earnings
($ in millions)



Individual Annuity Contract Counts
(in thousands)



1. *Individual Annuity consists of U.S. annuity products for individuals, including variable, fixed and payout*
2. *Other consists of Private Placement Life Insurance, residual income or tax benefits associated with the reinsurance of the policyholder and separate account liabilities of the Retirement Plans, Individual Life businesses and International discontinued operations.*

INVESTMENT PORTFOLIO 4Q16 RESULTS

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Investment Portfolio: Well-diversified portfolio with strong credit performance

- Fixed maturities portfolio weighted average credit rating of "A+" as of Dec. 31, 2016, consistent with prior quarter
  - 5.9% rated below investment grade (BIG) as of Dec. 31, 2016, up from 5.4% as of Dec. 31, 2015
- Impairment losses, including mortgage loan loss reserves, of $12 million, before tax, in 4Q16 versus $42 million, before tax, in 4Q15
- Average duration of the total portfolio increased from year end
  - 5.7 years as of Dec. 31, 2016 versus 5.5 years as of Dec. 31, 2015

Investment Portfolio Composition

Investment by sector (%)	Dec. 31, 2015	Dec. 31, 2016
Fixed maturities, AFS[1]	82%	80%
Equity securities, AFS	1%	2%
Mortgage loans	8%	8%
Policy loans	2%	2%
LPs	4%	3%
Short-term and other investments	3%	5%
Total Investments ($ in billion)	**$72.9**	**$70.6**
Average duration (in years)	5.5	5.7

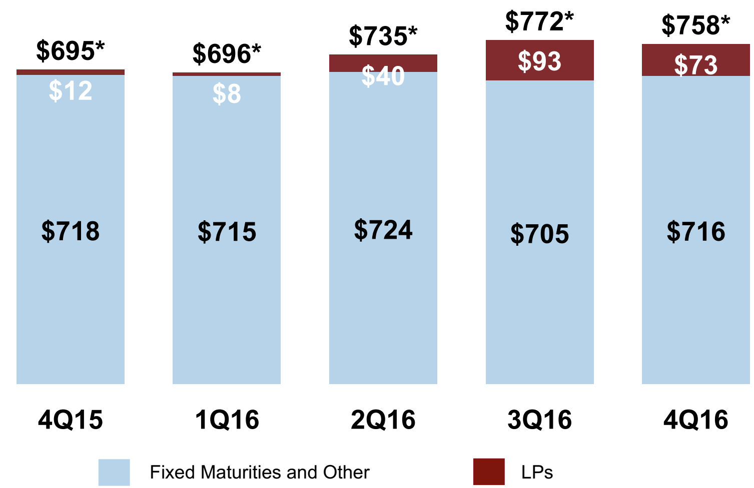
Fixed Maturities, AFS	Dec. 31, 2015	Dec. 30, 2016
% Investment grade	94.6%	94.1%
% BIG	5.4%	5.9%
Average credit quality[2]	A+	A+
Total ($ in billion)	**$59.2**	**$56.0**

1. *Includes securities that have the fair value option*
2. *Average credit ratings are based on the midpoint of the applicable ratings among Moody's, S&P, Fitch and Morningstar. If no rating is available from a rating agency, then an internally developed rating is used*

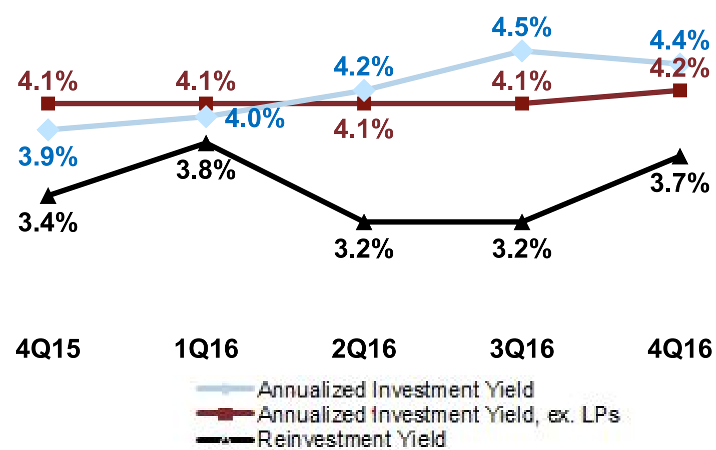
Total investment portfolio annualized yield, excluding LPs, up slightly from 4Q15 to 4.2%

- Total investment income up 9% over 4Q15 primarily due to a $61 million, before tax, increase in income on LPs
- Annualized investment yield, before tax, was 4.4% for 4Q16 compared with 3.9% in 4Q15
  - 12.1% annualized yield on LPs compared with 1.5% in 4Q15
- Annualized investment yield, before tax, excluding LPs was 4.2% in 4Q16, up from 4.1% in 4Q15 due to pre-payments on commercial mortgage loans and other non-routine items

Total Net Investment Income
($ in million)



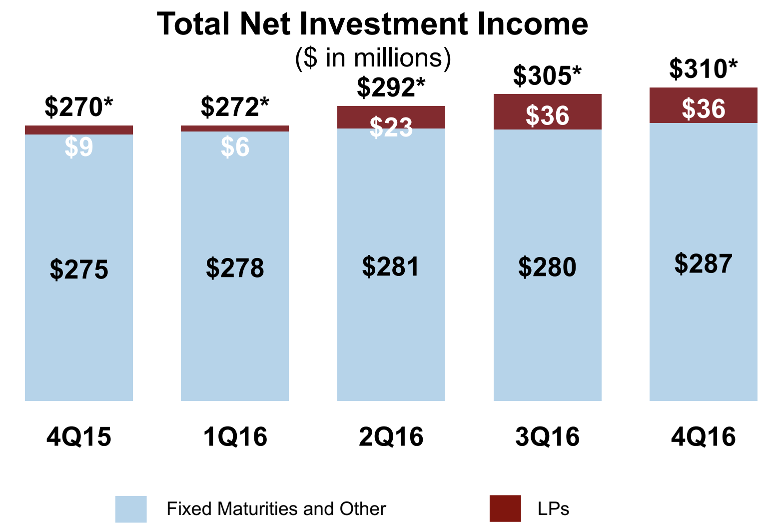
Annualized Investment Yield, Before Tax

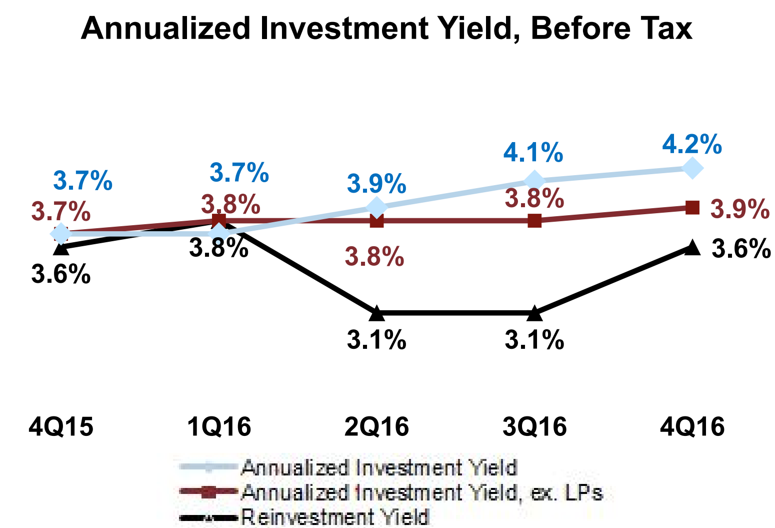


** Total includes investment expenses of $35, $27, $29, $26 and $31 in 4Q15, 1Q16, 2Q16, 3Q16 and 4Q16 respectively*

P&C portfolio investment income and yield also favorably impacted by LPs

- P&C investment income up 15% from 4Q15 due to a $27 million, before tax, increase in investment income on LPs
  - LP income up from $9 million, before tax, to $36 million, before tax
  - Excluding LPs, P&C investment income was up 5%
- Annualized investment yield, before tax, was 4.2% for 4Q16 compared with 3.7% in 4Q15
  - 11.0% annualized return on LPs in P&C portfolio compared with 2.2% in 4Q15
- Annualized investment yield excluding LPs was 3.9% in 4Q16 compared with 3.7% in 4Q15
  - Reinvestment yield remains below yield on sales and maturities





* *Total includes investment expenses of $14, $12, $12, $11 and $13 in 4Q15, 1Q16, 2Q16 , 3Q16 and 4Q16 respectively*

Limited partnership and other alternative investments income up sharply over 4Q15

- Total LP income of $73 million, before tax, up by $61 million, before tax, over 4Q15 largely due to improved real estate results and strong private equity returns
- Annualized LP investment return, before tax, was 12.1% for 4Q16 compared with 1.5% in 4Q15

Total Net Investment Income, Before Tax, From LPs
($ in millions)

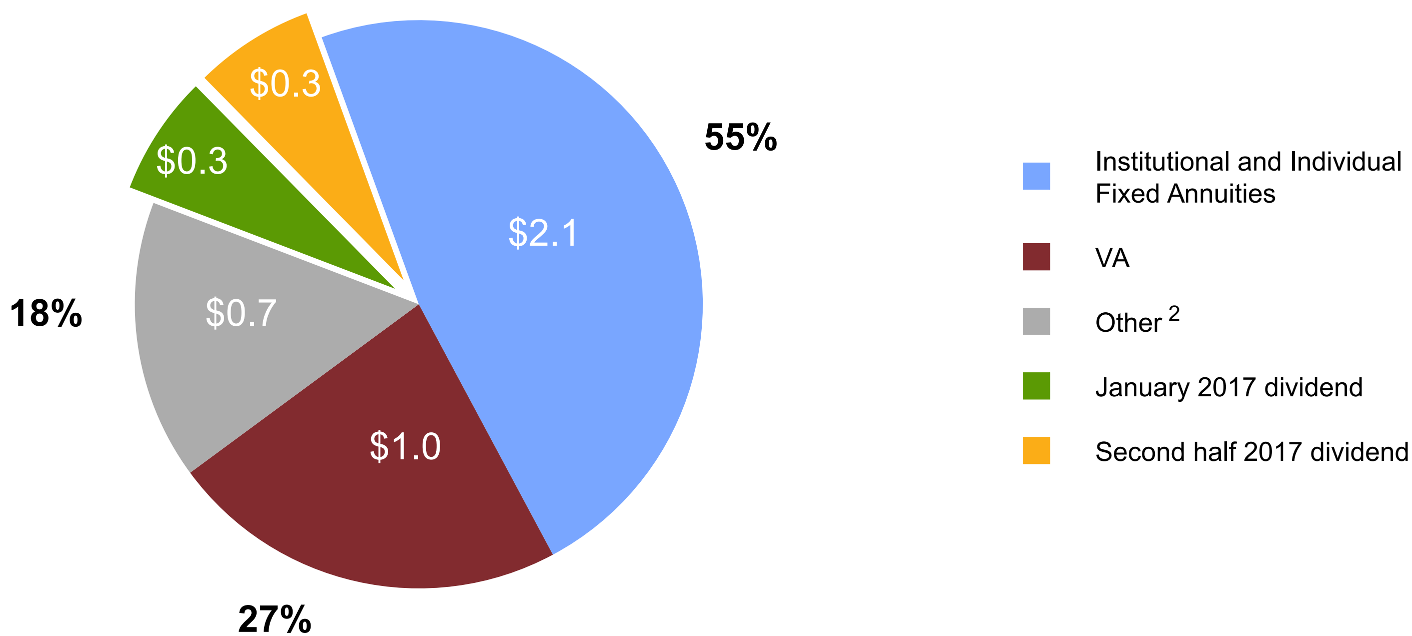
	4Q15	1Q16	2Q16	3Q16	4Q16
Net Investment Income, before tax, from LPs by Segment					
Property & Casualty	$9	$6	$23	$36	$36
Group Benefits	$2	$3	$4	$10	$10
Talcott Resolution	$1	$(1)	$13	$47	$27
Total HIG	**$12**	**$8**	**$40**	**$93**	**$73**
LP Invested Assets by Type					
Real estate	$576	$580	$604	$598	$629
Hedge funds	$1,034	$800	$710	$552	$536
Private equity	$1,264	$1,274	$1,264	$1,332	$1,291
Total LP	**$2,874**	**$2,654**	**$2,578**	**$2,482**	**$2,456**
Annualized Investment Returns, before tax, From LP by Type					
Real estate	(4.7)%	(0.8)%	7.3%	0.7%	21.1%
Hedge funds	(1.6)%	(10.9)%	2.7%	1.7%	5.7%
Private equity	7.3%	11.3%	7.6%	28.8%	10.6%
Total LP	**1.5%**	**1.2%**	**6.1%**	**15.2%**	**12.1%**

APPENDIX

2016 Talcott Resolution statutory surplus allocation

Talcott Resolution Statutory Surplus Allocation
As of Dec. 31, 2016
($ in billions)

$4.4 Billion Total Statutory Surplus[1]



1. *Percentages are exclusive of capital that has been or are intended to be dividended to the holding company in 2017*
2. *Other primarily includes the capital required to support reinsurance recoveries related to the Individual Life and Retirement Plans sold in January 2013, COLI/BOLI businesses and other assets that have not been allocated to individual business segments*

Stress scenario Talcott Resolution capital margin, after dividends, of $1.4 billion

Talcott Resolution Dec. 2018 Projected Capital Margin ($ in billions)	Base Scenario	Favorable Scenario	Stress Scenario
Capital margin[1] before dividends to holding company	**$3.5**	**$3.8**	**$2.0**
Less: 2017 dividends to holding company[2]	0.6	0.6	0.6
Capital margin after dividends	**$2.9**	**$3.2**	**$1.4**
Surplus Level at Dec. 2018[3]	**$4.0**	**$4.2**	**$2.6**
Estimated RBC ratio[4]	**680%**	**720%**	**420%**

1. *Capiital margin is the amount of statutory surplus greater than 200% of company action level risk-based capital requirement*
2. *$0.3 billion received; intend to request another $0.3 billion in second half of 2017*
3. *Surplus levels include estimated intangible assets, such as deferred tax assets, of $0.5 billion in the base scenario,$0.5 billion in the favorable scenario, and $0.3 billion in the stress scenario*
4. *Talcott Resolution only, not consolidated*

VA impacts, investment-related impacts and interest rate impacts are key drivers of capital margin changes from base to stress scenario

Talcott Resolution Projected 2018 Capital Margin ($ in billions)	Favorable Scenario	Stress Scenario
Base Scenario	**$2.9**	**$2.9**
Change in projected 2018 capital margin, by product:		
Operating income	0.1	(0.5)
Reserves, net of hedging	-	0.1
Total VA net impact	**$0.1**	**($0.4)**
Investment-related impacts, including credit losses	-	(0.4)
Interest rate impacts	0.1	(0.6)
All other	-	(0.1)
Total Institutional and Fixed Annuity	**$0.1**	**($1.1)**
Net Change to base scenario capital margin	**$0.2**	**($1.5)**
Projected 2018 capital margin*	**$3.2**	**$1.4**

** Totals do not add due to rounding*

Market assumptions for scenarios used in capital margin projections

	Dec. 31, 2016 Actual	Base	Favorable	Stress
Interest Rate	10-year Treasury 2.45%	• Follows forward rates • 10-year Treasury 2.94% at year-end (YE) 2018	• Follows forward rates + 50 bps • 10-year Treasury 3.44% at YE 2018	• 0–140 bps decrease across term structure in 2017 • Increases slightly thereafter • 10-year Treasury 1.56% at YE 2018
Equity	S&P 500 2239	• 4% index growth plus 1.8% dividend yield in all years • S&P 500 at 2422 at YE 2018	• Equities increase 12% in 2017 • 4% index growth plus 1.8% dividend yield thereafter • S&P 500 at 2600 at YE 2018	• All indices decline 40% in 2017 • 4% index growth plus 1.8% dividend yield thereafter • SPX 500 at 1404 at YE 2018

Catastrophe reinsurance program as of January 2017

Primary catastrophe treaty reinsurance coverages as of January 1, 2017:

($ in millions)

Coverage	Effective for the period	% of layer(s) reinsurance	Per occurrence limit	Retention
Property losses arising from a single catastrophe event [1],[2]	1/1/2017 to 1/1/2018	88%	$800	$350
Property catastrophe losses from a Personal Lines Florida hurricane	6/1/2016 to 6/1/2017	90%	$109 [3]	$34
Workers compensation losses arising from a single catastrophe event [4]	1/1/2017 to 12/31/2017	80%	$350	$100

[1] Certain aspects of our principal catastrophe treaty have terms that extend beyond the traditional one year term. While the overall treaty is placed at 88%, each layer's placement varies slightly

[2] $50 of the property occurrence treaty can alternatively be used as part of the Property Aggregate treaty referenced below

[3] The per occurrence limit on the FHCF treaty is $109 for the 6/1/2016 to 6/1/2017 treaty year based on the company's election to purchase the required coverage from FHCF. Coverage is based on the best available information from FHCF, which was updated in January 2017

[4] In addition to the limit shown, the workers compensation reinsurance includes a non-catastrophe, industrial accident layer, providing coverage for 80% of a $30 per event limit in excess of a $20 retention

The principal property catastrophe reinsurance program and certain other reinsurance programs include a provision to reinstate limits in the event that a catastrophe loss exhausts limits on one or more layers under the treaties. In addition, covering the period from January 1, 2017 to December 31, 2017, the company has an aggregate loss treaty[2] in place which provides one limit of $200 for one year period of aggregate qualifying property catastrophe losses in excess of a net retention of $850